

ARTICLE III

EDUCATION

Sec. 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated agencies and institutions of education.

TEXAS EDUCATION AGENCY

	For the Years Ending	
	August 31,	August 31,
	2002	2003
A. Goal: STANDARDS OF ACHIEVEMENT AND EQUITY		
The Texas Education Agency will build the capacity of the state public education system to ensure each student demonstrates exemplary performance in reading and the foundation subjects of English language arts, mathematics, science, and social studies by developing and communicating standards of student achievement and district and campus accountability and disbursing foundation program school funds.		
Outcome (Results/Impact):		
Percent of Students Whose Assessment Results Are Included in the Accountability System	88%	92%
Percent of Students Passing All Tests Taken	85%	85%
Percent of Students Who Drop out of the Public School System Between the Ninth and the Twelfth Grades	8.1%	8.1%
Percent of Special Education Students Who Are Tested and Included in the Accountability System	90%	90%
Percent of Limited English-proficient Students Who Are Tested and Included in the Accountability System	75%	75%
Percent of African-American Students Passing All Tests Taken	80%	80%
Percent of Hispanic Students Passing All Tests Taken	80%	80%
Percent of White Students Passing All Tests Taken	94%	94%
Percent of Asian-American Students Passing All Tests Taken	94%	94%
Percent of Native American Students Passing All Tests Taken	88%	88%
Percent of Economically Disadvantaged Students Passing All Tests Taken	78%	78%
Percent of Economically Disadvantaged Students Completing High School	88%	88%
Percent of Students Completing High School	91.9%	91.9%
Annual Statewide Dropout Rate for All Students	1.6%	1.6%
Percent of Annual Unaccounted Student Withdrawals	1.1%	1%
Percent of Students Reading at Grade Level (3 rd Grade Only)	93%	95%
Percent of Students Passing TAAS Reading	93%	93%
Percent of Students Passing TAAS Mathematics	90%	90%
Percent of Districts Rated Exemplary or Recognized	30.5%	30.5%
Percent of Campuses Rated Exemplary or Recognized	46.7%	46.7%
Percent of Equalized Revenue in the Foundation School Program	98%	98%
Percent of Students in Districts with Substantially Equal Access to Revenues	85%	85%
* Percent of Teachers Participating in the Student Success Initiative Teacher Reading Academies	80%	85%
Percent of High-need Campuses That Receive a Master Reading Teacher Grant	50%	75%

*Modified per House Bill 2879.

TEXAS EDUCATION AGENCY
(Continued)

	A.1.1. Strategy: ASSESSMENT	\$	55,934,483	\$	53,434,483
	The state’s assessment system will continue to provide a basis for evaluating and reporting the extent to which an increasing share of the students in the Texas educational system are achieving state goals for student performance.				
*	A.1.2. Strategy: ACCOUNTABILITY SYSTEM	\$	0	\$	0
	Build the capacity of the state public education system by developing and implementing standards of district and campus accountability for the achievement of all students.				
**	A.2.1. Strategy: FSP-EQUALIZED OPERATIONS	\$	9,524,200,000	\$	10,355,039,000
	Operate an efficient and equitable school finance system, disburse Foundation School Program formula funding to school districts and charter schools, and ensure that formula allocations are accounted for in an accurate and appropriate manner.				
	Output (Volume):				
	Total Average Daily Attendance (ADA)		3,835,159		3,901,634
	Number of Students Served by Compensatory Education Programs and Services		1,615,000		1,647,000
	Explanatory:				
	Special Education Full-time Equivalents (FTEs)		168,606		171,644
	Compensatory Education Average Daily Attendance		2,033,990		2,060,371
	Career and Technology Education Full-time Equivalents (FTEs)		167,422		174,091
	Bilingual Education/English as a Second Language Average Daily Attendance		470,053		500,784
	Gifted and Talented Average Daily Attendance		196,100		199,717
*	A.2.2. Strategy: FSP-EQUALIZED FACILITIES	\$	759,600,000	\$	695,000,000
	Operate an equalized school facilities program by ensuring the allocation of a guaranteed yield of existing debt and disbursing facilities funds.				
	Output (Volume):				
*	Number of Districts Receiving IFA		400		400
*	Total Amount of State and Local Funds Allocated for Debt For Facilities (Billions)		1.95		1.95
	A.3.1. Strategy: INSTRUCTIONAL MATERIALS	\$	684,166,000	\$	116,000,000 & UB
	Provide students equitable access to instructional materials and technologies supporting the state’s Essential Knowledge and Skills.				
	Output (Volume):				
	Number of Textbooks and Digital Content Purchased from Conforming Lists		8,883,450		4,411,277
	Number of Textbooks and Digital Content Purchased from Nonconforming Lists		467,550		232,173
	Efficiencies:				
	Average Cost Per Textbook and Digital Content Purchased		39.47		41.78
	A.3.2. Strategy: TECHNOLOGY	\$	45,540,096	\$	45,540,096
	Support the implementation, maintenance and expansion of a statewide technological infrastructure for education including the Internet; increase access to educational data; encourage school districts to plan for and implement technologies that increase the effectiveness of student learning, instructional management, professional development, and administration; and integrate				

*Modified per House Bill 2879.
**Modified per House Bill 2879 and House Bill 3343.

TEXAS EDUCATION AGENCY
(Continued)

technology into the curriculum in relation to the technology applications TEKS.

Output (Volume):

Number of Students Receiving Course Credit through

Distance Learning 4,200 4,500

A.3.3. Strategy: IMPROVING EDUCATOR PERFORMANCE \$ 68,677,243 \$ 71,323,043

Continue to ensure teachers in grades K-12 have access to quality reading instruction training; develop and implement professional development initiatives that encourage collaboration between K-12 and higher education and ensure all educators access to training and evaluation tied to the Texas Essential Knowledge and Skills.

Output (Volume):

Number of Teachers Who Participate in Mathcounts Training 343 343

* Total, Goal A: STANDARDS OF ACHIEVEMENT AND EQUITY \$ 11,138,117,822 \$ 11,336,336,622

B. Goal: LOCAL EXCELLENCE AND ACHIEVEMENT

The state public education system will foster local innovation, support local authority, and encourage regional, district, and university efforts to ensure that each student performs at grade level; demonstrates exemplary performance in reading and the foundation subjects of English language arts, mathematics, science, and social studies; and attains sufficient secondary credit to graduate on time.

Outcome (Results/Impact):

Percent of Eligible Students Taking Advanced Placement/International Baccalaureate Exams	17%	18%
Percentage of AP/IB Exams Taken on Which the Score Qualifies for College Credit or Advanced Placement	55%	57%
Percent of Students Graduating under the Recommended or Distinguished Achievement High School Program	48%	48%
Percent of Students Retained in Grade	4.2%	4.2%
Percent of Students Exiting Bilingual/English as a Second Language Programs Successfully	75%	76%
Percent of Students Participating in the Ninth Grade Basic Skills Program Who Attain Sufficient Credit to Advance to Grade Ten	80%	85%
Percent of Students Participating in the Texas Reading Initiative Demonstrating Progress in Reading Development	76%	78%
Percent of Districts Receiving After-School Initiative Funds Which Demonstrate a Decrease in DAEP Referrals	90%	90%
Percent of DAEPs Meeting All Accountability Standards	67%	67%
Percent of Students with Auditory Impairment in Regional Day Schools for the Deaf Who Graduate from High School	87%	87%
Percent of Students with Disabilities Who Complete High School	83%	83%
Percent of Adult Learners Who Complete the Level in Which They Are Enrolled	47%	49%
Percent of Parents Participating in AVANCE Programs Who Complete the Adult Education Level at Which They Are Enrolled	47%	49%
Percent of Incarcerated Students Who Complete the Level in Which They Are Enrolled	42%	44%
Percent of Eligible Windham Inmates Who Have Been Served by a Windham Education Program During the Past Five Years	92%	93%
Annual Drug Use and Violence Incident Rate on School Campuses, Per One Hundred Students	34.19	34.19
Percent of Students in State-funded Optional Extended-year Programs Promoted to the Next Grade Level as a Result of the Programs	83%	85%

*Modified per House Bill 2879 and House Bill 3343.

TEXAS EDUCATION AGENCY
(Continued)

Percent of Campuses Receiving Investment Capital Fund			
Grants Which Demonstrate Texas Learning Index Growth in			
Reading		50%	50%
Percent of Charter Schools Rated Low Performing		25%	25%
B.1.1. Strategy: ACADEMIC EXCELLENCE	\$	126,892,546	\$ 129,892,545
Build the capacity of school districts to plan and implement challenging academic, advanced academic, career and technology education, and bilingual/English as a second language education programs to ensure that all Texas students are prepared to gain entry level employment in a high-skill, high-wage job or continue their education at the postsecondary level.			
Output (Volume):			
Number of Students in Tech-prep Programs		96,950	99,858
Number of Students Served in Summer School Programs for			
Limited English-proficient Students		40,000	42,000
B.1.2. Strategy: STUDENT SUCCESS	\$	280,092,204	\$ 287,163,646
Build the capacity of school districts to ensure that all Texas students have the skills they need to succeed; that all third grade students read at grade level and continue to read at grade level; and that all secondary students have sufficient credit to advance and ultimately graduate on time with their class.			
Output (Volume):			
Number of Students Participating in the Student Success Initiative Accelerated Reading Program		37,463	36,234
Number of Students Served by the Kindergarten and Prekindergarten Grant Programs		44,800	44,800
B.2.1. Strategy: ACHIEVEMENT OF STUDENTS AT RISK	\$	1,020,663,307	\$ 1,028,043,307
Build the capacity of school districts, regional education service centers, and service providers to develop and implement instructional support programs that ensure that students at risk attain the state's goal of exemplary performance and take full advantage of Texas' status as an Ed-Flex state.			
Output (Volume):			
Number of Title I Campuses Rated Exemplary or Recognized		2,004	2,004
B.2.2. Strategy: STUDENTS WITH DISABILITIES	\$	571,578,925	\$ 584,113,593
Build the capacity of regional education service centers, school districts, and service providers to develop and implement programs that ensure students with disabilities attain the state's goals of exemplary academic performance.			
Output (Volume):			
Number of Students Served by Regional Day Schools for the Deaf		4,446	4,446
Number of Students Served by Statewide Programs for the Visually Impaired		7,111	7,366
B.2.3. Strategy: SUPPORT PROGRAMS	\$	48,327,327	\$ 48,327,327
Build the capacity of the state public education system by developing and implementing the academic counseling and support service programs necessary for all students to demonstrate exemplary academic performance.			

*Modified per House Bill 2879.

TEXAS EDUCATION AGENCY
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Output (Volume):			
Number of Pregnant Teens and Teen Parents Served by Teen Pregnancy and Parenting Programs		22,750	23,000
Number of Districts Receiving After-school Initiative Funds		74	74
B.2.4. Strategy: CHILD NUTRITION PROGRAMS	\$	823,099,207	\$ 871,699,207
Build the capacity of the state public education system by implementing and supporting efficient state child nutrition programs.			
Output (Volume):			
Average Number of School Lunches Served Daily		2,388,882	2,460,548
Average Number of School Breakfasts Served Daily		991,474	1,050,962
B.2.5. Strategy: ADULT EDUCATION AND FAMILY LITERACY	\$	67,074,192	\$ 67,474,192
Build the capacity of the state public education system by encouraging school districts and service providers to provide and be accountable for adult education and family literacy programs and improving the adult literacy rate.			
Output (Volume):			
Number of Students Served Through State Adult Education Cooperatives		180,000	185,000
B.2.6. Strategy: SAFE SCHOOLS	\$	63,068,387	\$ 63,700,100
Enhance school safety and ensure that students in the Texas Youth Commission and disciplinary and juvenile justice alternative education programs are provided the instructional and support services needed to demonstrate exemplary performance in comparison to state and national academic standards in reading and the foundation subjects of English language arts, mathematics, science and social studies.			
Output (Volume):			
Number of Students in Disciplinary Alternative Education Programs (DAEPs)		132,000	134,000
B.2.7. Strategy: WINDHAM SCHOOL DISTRICT	\$	71,115,423	\$ 71,115,423
Build the capacity of the Windham School District within the Texas Department of Criminal Justice by ensuring that students are provided effective instructional and support services.			
Output (Volume):			
Number of Contact Hours Received by Inmates Within the Windham School Dstrict		20,318,692	20,318,692
Number of Offenders Passing General Education Development (GED) Tests		4,723	4,326
Efficiencies:			
Average Cost Per Contact Hour in the Windham School District		3.46	3.46
B.3.1. Strategy: REGIONAL TRAINING AND DEVELOPMENT	\$	61,020,160	\$ 61,020,160
The regional education service centers will facilitate effective instruction and efficient school operations by providing core services, technical assistance, and program support based on the needs and objectives of the school districts they serve.			
Output (Volume):			
Number of Educators Receiving Education Service Center (ESC) Based Training in Technology		126,000	128,000

*Modified per House Bill 2879.

TEXAS EDUCATION AGENCY
(Continued)

B.3.2. Strategy: DEREGULATION/SCHOOL RESTRUCTURING				\$	78,336,235	\$	78,873,235
Encourage educators, parents, community members, and university faculty and personnel to increase involvement in education, improve student learning, and develop and implement programs that meet local needs and promote the successful integration of open enrollment charter schools into the Texas public education system.							
Output (Volume):							
Number of Students Served by State-funded Optional							
Extended-year Programs					237,905		249,695
Total Average Daily Attendance (ADA) of Open-enrollment							
Charter Schools					40,500		49,000
Explanatory:							
Number of Open Enrollment Charter Schools					200		225
* Total, Goal B: LOCAL EXCELLENCE AND ACHIEVEMENT				\$	3,211,267,913	\$	3,291,422,735
C. Goal: TEXAS EDUCATION AGENCY OPERATIONS							
The Texas Education Agency will fulfill its statutory responsibilities in building the capacity of the Texas public education system to ensure each student demonstrates exemplary performance in reading and the foundation subjects of English language arts, mathematics, science, and social studies.							
Outcome (Results/Impact):							
Percent of Districts Rated as High-risk in the Program Analysis System (PAS) the Prior Year That Improve Their Rating in the Current Year							
C.1.1. Strategy: ACCOUNTABILITY OPERATIONS					77%		80%
Develop and implement standards of district and campus accountability for student achievement and financial performance of districts by conducting research, reporting results, and responding to districts and campuses not meeting state standards.				\$	13,208,419	\$	13,208,419
Output (Volume):							
Number of Special Education Campuses and Programs							
Receiving Onsite Monitoring Visits					210		210
Number of Complaint Investigations Conducted					1,635		1,669
Number of Campuses Investigated for Exemption Rates					90		92
Efficiencies:							
Average Cost of Accreditation Onsite Review					11,500		11,500
* C.1.2. Strategy: SCHOOL FINANCE SYSTEM OPERATIONS							
Efficiently manage the Foundation School Program and increase the principal value of the Permanent School Fund and the annual rate of deposit to the Available School Fund.				\$	30,625,856	\$	30,325,856
Output (Volume):							
Amount of Growth in Permanent School Fund Book Value (Millions)					600		600
Amount of Available School Fund Income (Millions)					752		788
Amount of Recovered Average Daily Attendance (ADA) Funds (Millions)					5		5
Efficiencies:							
Number of Basis Points above the Median (Internal Managers)					100		100
Number of Basis Points above the Median (External Managers)					120		120
Percent Market Value Expended on External Management Expenses					.4%		.4%

*Modified per House Bill 2879.

TEXAS EDUCATION AGENCY
(Continued)

Explanatory:			
Average Percent Equity Holdings in the Permanent School Fund (PSF)			
	65%		65%
C.1.3. Strategy: IMPROVING INSTRUCTION OPERATIONS			
Provide equitable access to instructional materials for the state's foundation and enrichment curriculum; develop, communicate, and provide training in the state's Essential Knowledge and Skills; maintain and expand the technological capabilities of the public education system; and increase access to educational data.	\$	8,510,331	\$ 8,510,331
Output (Volume):			
Number of Sessions of Staff Development Delivered by Distance Learning (TETN, T-Star, Internet)			
		468	524
C.2.1. Strategy: LOCAL AUTHORITY OPERATIONS			
Foster program and funding flexibility, support regional training and development at the education service centers, and encourage educators, parents, community members and university faculty and personnel to develop programs that increase involvement in education, improve student learning, and meet local needs.	\$	6,514,927	\$ 6,514,927
C.2.2. Strategy: SPECIAL POPULATIONS OPERATIONS			
Support access by all students to instructional programs based on the state's essential knowledge and skills.	\$	7,184,512	\$ 7,184,512
Output (Volume):			
Number of Certificates of High School Equivalency (GED) Issued			
		43,650	40,000
* Total, Goal C: TEXAS EDUCATION AGENCY OPERATIONS	\$	66,044,045	\$ 65,744,045
D. Goal: INDIRECT ADMINISTRATION			
D.1.1. Strategy: CENTRAL ADMINISTRATION			
	\$	10,142,675	\$ 10,142,675
D.1.2. Strategy: INFORMATION RESOURCES			
	\$	18,542,573	\$ 18,542,573
Total, Goal D: INDIRECT ADMINISTRATION			
	\$	28,685,248	\$ 28,685,248
* Grand Total, TEXAS EDUCATION AGENCY	\$	14,444,115,028	\$ 14,722,188,650
Method of Financing:			
<u>General Revenue Fund</u>			
** General Revenue Fund	\$	250,100,996	\$ 262,718,239
Available School Fund No. 002		866,601,184	1,498,401,184
State Textbook Fund No. 003		687,181,938	119,015,938
** Foundation School Fund No. 193		8,492,009,502	8,588,217,215
GED Fees		677,550	677,550
GR MOE for Temporary Assistance for Needy Families		2,000,000	2,000,000
Earned Federal Funds		4,294,661	4,294,661
Lottery Proceeds		807,000,000	799,000,000
** Subtotal, General Revenue Fund	\$	11,109,865,831	\$ 11,274,324,787

*Modified per House Bill 2879 and House Bill 3343.
**Modified Method of Financing.

TEXAS EDUCATION AGENCY
(Continued)

GR Dedicated - Read to Succeed Account No. 5027	5,325	5,325
<u>Federal Funds</u>		
Federal Health, Education and Welfare Fund No. 148	1,849,423,233	1,863,037,899
Federal School Lunch Fund No. 171	810,982,039	859,382,039
Federal Funds	6,100,000	6,500,000
Subtotal, Federal Funds	<u>\$ 2,666,505,272</u>	<u>\$ 2,728,919,938</u>
<u>Other Funds</u>		
Telecommunications Infrastructure Fund No. 345	18,903,600	18,903,600
* Appropriated Receipts - Attendance Credits, estimated	621,500,000	692,600,000
Interagency Contracts	135,000	135,000
Interagency Transfer (System Benefit Fund)	27,200,000	7,300,000
* Subtotal, Other Funds	<u>\$ 667,738,600</u>	<u>\$ 718,938,600</u>
* Total, Method of Financing	<u>\$ 14,444,115,028</u>	<u>\$ 14,722,188,650</u>
** Number of Full-Time-Equivalent Positions (FTE):	858.5	860.5
Schedule of Exempt Positions:		
Commissioner, Group 6	\$164,748	\$164,748
Supplemental Appropriations Made in Riders:	\$ 592,068	\$ 0

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purposes of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	<u>2002</u>	<u>2003</u>
a. Acquisition of Information Resource Technologies		
(1) Microcomputer Hardware/Software		
"Technology Refresh"	1,350,000	1,350,000
(2) Network and Client Server Infrastructure	700,000	731,000
(3) WTDROC Performance Enhancements -		
previously Data Center		
Equipment/Software	600,000	500,000
(4) WTDROC Mainframe	2,427,105	2,548,460
(5) PEIMS Quality Enhancements	801,000	500,000
(6) Electronic Forms Project	100,000	100,000
(7) Document Workflow and Management Pilot	250,000	250,000
(8) Public Access Initiative	3,500,000	3,500,000
(9) Texas Library Connection	\$ 3,750,000	\$ 4,000,000
*** (10) Foundation School Program Payment System	<u>\$ 300,000</u>	<u>\$ 0</u>
*** Total, Acquisition of Information		
Resource Technologies	<u>\$ 13,778,105</u>	<u>\$ 13,479,460</u>
*** Total, Capital Budget	<u>\$ 13,778,105</u>	<u>\$ 13,479,460</u>

*Modified Method of Financing.
**Modified per House Bill 2879 and House Bill 3343.
***Modified per House Bill 2879.

TEXAS EDUCATION AGENCY
(Continued)

Method of Financing (Capital Budget):

*	General Revenue Fund	\$	2,061,187	\$	1,696,540
	Available School Fund No. 002		1,693,797		1,614,230
	State Textbook Fund No. 003		313,843		303,897
	Federal Health, Education and Welfare Fund No. 148		2,080,644		2,015,996
	Federal School Lunch Fund No. 171		255,085		247,626
	Foundation School Fund No. 193		334,923		324,977
	Telecommunications Infrastructure Fund No. 345		6,620,092		6,870,092
	GED Fees	75,028		72,542	
*	Earned Federal Funds		<u>343,506</u>		<u>333,560</u>
	Total, Method of Financing	\$	<u>13,778,105</u>	\$	<u>13,479,460</u>

- ** 2. **Chapter 42 and 46 Formula Funding.** Out of the funds appropriated above, a total of \$10,450,100,000 in fiscal year 2002 and \$11,218,000,000 in fiscal year 2003 shall represent the sum-certain appropriation to the Foundation School Program under § 42.253 *and under Chapter 46* of the Texas Education Code. (The total appropriation may not exceed the sum-certain amount.) The Commissioner shall make allocations to local school districts under § 42.253 *and under Chapter 46* based on the March 2001 estimates of average daily attendance and local district tax rates as determined by the Legislative Budget Board and the Final 2000 property values. Property values shall be increased by 6.01 percent for 2003, as estimated by the Comptroller of Public Accounts.

Notwithstanding any other provision of this Act, the Texas Education Agency may make transfers as appropriate between Strategy A.2.1, Foundation School Program-Equalized Operations, and Strategy A.2.2, Foundation School Program-Equalized Facilities. The TEA shall notify the Legislative Budget Board and the Governor’s Office of any such transfers. The appropriations above in Strategy A.2.2, Foundation School Program-Equalized Facilities, include \$50 million in each year of the biennium to support new grants under the Instructional Facilities Allotment.

3. **Transportation Cost Allotment.** Pursuant to § 42.155 of the Texas Education Code, the appropriation for funding regular transportation programs for the 2001–02 and 2002–03 school years shall be calculated on the following basis:

Linear Density Grouping	Allocation Per Mile of Approved Route
2.40 and above	\$1.43
1.65 to 2.40	1.25
1.15 to 1.65	1.11
.90 to 1.15	.97
.65 to .90	.88
.40 to .65	.79
up to .40	.68

Pursuant to § 42.155 of the Texas Education Code, the maximum mileage rate for special education transportation shall be \$1.08 per mile. Private transportation rates shall be \$0.25 per mile or a maximum of \$816 per pupil for both special education and isolated areas as defined in sub-sections 42.155(g) and 42.155(e).

4. **Education Service Centers.** The Commissioner shall furnish reports as required by § 8.102 of the Texas Education Code to the State Board of Education for transmittal, along with recommendations for change, modification, or improvement, to the Legislative Budget Board and the Governor's Budget and Planning Office. Regional Education Service Centers shall be prohibited from purchasing land and acquiring buildings without prior authorization from the Commissioner of Education.
5. **Windham Schools.** The funds appropriated above in Strategy B.2.7, Windham School District, are to be expended only for academic and vocational educational programs approved by the Texas Education Agency. The Commissioner of Education shall allocate funds to the Windham Schools based on contact hours for the best 180 of 210 school days in each year of the biennium. The contact hour rates for the 2002–03 biennium are the following: \$3.97558 for academic education, \$3.24582 for vocational education.

*Modified Method of Financing.
**Italicized language added or modified per House Bill 2879.

TEXAS EDUCATION AGENCY

(Continued)

6. **Windham School District Selection Criteria.** It is the intent of the Legislature that the Windham School District target its programs to serve those inmates whose participation will help achieve the goals of reduced recidivism and increased success of former inmates in obtaining and maintaining employment thereby reducing the cost of incarceration and providing an incentive to offenders to behave in positive ways during incarceration.
7. **Audit Adjustments.** When reviews and audits of allocations to school districts reveal the allocations previously made were greater or less than the amounts found to be due, the Texas Education Agency is authorized to recover or pay the sums necessary to adjust to the correct amounts. All such amounts recovered shall become a part of the Foundation School Fund or General Revenue Fund, and the amounts necessary to make such additional payments to the school districts are hereby appropriated from the Foundation School Fund or General Revenue Fund.
8. **State Textbook Fund.** Any amount expended for Textbook Administration, including new textbooks, rebinding, and other related expenses, shall be paid out of the State Textbook Fund. A transfer of funds from the Available School Fund to the State Textbook Fund is authorized in an amount which, together with other revenues of the State Textbook Fund, is sufficient to finance the sum-certain appropriation from the State Textbook Fund for each fiscal year, including a \$30 per student technology allotment as provided for in § 31.021(b)(2) of the Texas Education Code. Penalties assessed by the State Board of Education shall be deposited to the credit of the Textbook Fund. Notwithstanding the limitations in Rider 39, the agency may transfer and expend such funds on textbook administration in an amount not to exceed \$200,000 in each year of the biennium from Strategy A.3.1, Instructional Materials, to Strategy C.1.3, Improving Instruction Operations.
9. **Day-care Expenditures.** It is expressly provided that the pre-school day care programs, such as the Early Childhood Program for Educationally Disadvantaged Children and Special Education and Training for Pre-School Children with Disabilities administered by the Texas Education Agency, are day-care programs. The funds expended in those programs on behalf of children meeting eligibility requirements in accordance with interagency contracts with the Texas Education Agency under the day care program of the Social Security Act shall be considered as expenditures for day care.
10. **Loss Due to Property Value Decline.**
 - * a. The Commissioner of Education is authorized to distribute no more than \$26,000,000 in each fiscal year under § 42.2521 of the Texas Education Code, to the extent that excess funds are available under the Foundation School Program, *subject to Section 14 of House Bill 2879, Acts of the Seventy-seventh Legislature, Regular Session, 2001.*

It is the intent of the Legislature that, in expending these funds by making adjustments in the local share under § 42.2521, that the Commissioner shall consider only the amount of property value decline in each school district that is in excess of 4 percent in taxable values.
 - b. Except as expressly provided by this rider, and notwithstanding the limitations in Rider 39, Limitation: Transfer Authority, none of the funds in this rider may be expended for any other purpose.
11. **Grants for Education Service Centers.** From the general revenue related funds appropriated in Strategy B.3.1, Regional Training and Development, no more than \$1,480,950 in each fiscal year is allocated for distribution as competitive grants for regional education service centers for innovative regional strategies or programs and emergency grants to small and isolated school districts for core services under § 8.124 of the Texas Education Code.

*Italicized language added per House Bill 2879.

TEXAS EDUCATION AGENCY

(Continued)

12. **Training Programs for School Personnel and Parents of Students with Autism.** It is the intent of the Legislature that the Texas Education Agency continue to implement a program of staff development for school personnel and parents of students with autism. A sum not to exceed \$50,000 in each fiscal year shall be expended for this purpose.
13. **Student Testing Program.** In accordance with the provisions of § 42.152 and Chapter 39, Subchapter B of the Texas Education Code, the funds appropriated from the Foundation School Fund for the compensatory education allotment may be used to cover the cost of preparing, administering and grading assessment instruments in the student testing program. The expenditure of such funds shall not be subject to the limitation in Rider 39, Limitation: Transfer Authority.
14. **Reimbursement of Advisory Committee Members.** Pursuant to VTCA, Government Code § 2110.004 reimbursement of expenses for advisory committee members, out of the funds appropriated above, is limited to the following advisory committees:
 - a. Educational Technology Advisory Committee
 - b. Environmental Education Advisory Committee
 - c. Investment Advisory Committee on the Permanent School Fund
 - d. State Textbook Committee
 - e. Charter School Application Review Committee
 - f. Title 1, Committee of Practitioners
 - g. Continuing Advisory Committee for Special Education
 - h. Ed Flex State Panel
 - i. Academics 2000 State Panel
 - j. Adult Education Accountability Task Force
 - * k. *Communities in Schools Advisory Committee*

None of the funds appropriated in this Act may be used to reimburse any other advisory committee of the Texas Education Agency unless the Commissioner of Education notifies the Comptroller of Public Accounts, the Governor, and the Legislative Budget Board in writing that a specific advisory committee is essential to the mission of the Texas Education Agency pursuant to Texas Education Code § 7.055(b)(11).

15. **Vacation Leave for Commissioner of Education.** Notwithstanding any provision of the General Appropriations Act to the contrary, the Commissioner of Education is entitled to accrue and carry forward vacation leave at the highest rate authorized for employees by the General Provisions of this Act.
16. **Limits on Allocations and Expenditures.** The Commissioner of Education is authorized to transfer any of the funds appropriated for agency operations to the Regional Education Service Centers for purposes deemed appropriate by the Commissioner. The Commissioner shall submit to the Governor's Budget and Planning Office and Legislative Budget Board for its review a summary of the services to be transferred and the funding level associated with the proposed transfer. No funds appropriated to Regional Education Service Centers or to school districts may be used to hire a registered lobbyist. The Comptroller of Public Accounts is hereby authorized to reduce allocations to Regional Education Service Centers in an amount equal to amounts transferred, above the Fund 193 amounts identified in Strategy B.3.1, Regional Training and Development, from the Foundation School Program to Regional Education Service Centers.
17. **Regional Day Schools for the Deaf.** Funds appropriated above for Regional Day Schools for the Deaf shall be allocated on a weighted full time equivalent basis. Notwithstanding other provisions of this Act, if the allocations total more than \$33,133,200 in each year, the commissioner shall transfer sufficient amounts from other available funds to provide the full allocation.

*Italicized language added per House Bill 2879.

TEXAS EDUCATION AGENCY
(Continued)

18. **Summer School for Children with Limited English Proficiency.** Out of funds appropriated for Strategy B.1.1, Academic Excellence, \$3,800,000 in each fiscal year is allocated for summer school programs for children with limited English proficiency as authorized under § 29.060 of the Texas Education Code.
19. **Engineering and Science Recruitment Fund.** Out of funds appropriated for Strategy B.1.1, Academic Excellence, \$394,920 in each fiscal year is allocated to the Engineering Science Recruitment Fund for programs outlined in Subchapter M of Chapter 51 of the Texas Education Code.
20. **Statewide Programs for Students Who Are Visually Impaired.** Out of funds appropriated for Strategy B.2.2, Students with Disabilities, \$6,005,267 in each fiscal year is allocated for statewide programs for students who are visually impaired as authorized under § 30.002 of the Texas Education Code.
21. **Noneducational Community-based Support Services.** Out of funds appropriated for Strategy B.2.2, Students with Disabilities, \$987,300 in each fiscal year is allocated for noneducational community-based support services for certain students with disabilities as authorized under § 29.013 of the Texas Education Code.
22. **Professional Staff Development for Serving Students with Disabilities in Integrated Settings.** Out of the federal discretionary funds awarded to the Texas Education Agency through the Individuals with Disabilities Education Act (IDEA), Part B and appropriated above, the Commissioner shall set aside 10.5 percent during the biennium to fund capacity building projects, including follow-up staff development and support, for school districts to serve students with disabilities in integrated settings.
23. **Long Range Plan for Technology.** Out of funds appropriated from the Telecommunications Infrastructure Fund in Strategy A.3.2, Technology, and Strategy B.3.1, Regional Training and Development, the Commissioner shall allocate an amount not to exceed \$14,600,000 in each fiscal year for implementation of the Long Range Plan for Technology as provided by § 32.001, Texas Education Code.
24. **Appropriation for State Schools.** Out of General Revenue related funds appropriated above in Strategy B.2.2, Students with Disabilities, an amount not to exceed \$110,000 in each fiscal year is allocated for payments to state operated schools under §§ 30.025 and 30.056 of the Texas Education Code.
25. **Estimated Appropriation for Incentive Aid.** Out of General Revenue related funds appropriated above in Strategy B.3.2, Deregulation and School Restructuring, an estimated amount of \$600,000 in each fiscal year is allocated for incentive aid payments under Subchapter G of Chapter 13 of the Texas Education Code.
26. **Payments to Texas School for the Blind and Visually Impaired and Texas School for the Deaf.** Pursuant to § 30.003(g) of the Texas Education Code, the State Board of Education shall adopt rules that ensure that all local school districts whose students are placed at the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall share in the cost of each student's education as required by § 30.003(a). It is the intent of the Legislature that school districts subject to Chapter 41, Texas Education Code, reimburse the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf from the General Operating Fund of those districts within 60 days of receipt of a voucher from the receiving school.
27. **Notification of Changed Accreditation Status.** At the time a school district is notified of a change in its accreditation status, the Texas Education Agency shall also notify the State Senators and Representatives that represent the affected school district.

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(Continued)

28. **Permanent School Fund.** In its annual report on the Permanent School Fund, completed by February 28 of each year, the Texas Education Agency shall report on the actual and projected costs of administering the Permanent School Fund for the year covered by the report and the following three years.
29. **Texas Advanced Placement Incentive Program.** Notwithstanding appropriations otherwise made by this Act to the Foundation School Program, \$1,000,000 of the appropriations made for gifted and talented education in each year of the biennium is transferred and reappropriated to the Texas Education Agency for both the pre-Advanced Placement/International Baccalaureate activities and for the Texas Advanced Placement Incentive Program for the 2002–03 fiscal biennium. In addition, out of the funds appropriated above in Strategy B.1.1, Academic Excellence, \$14,500,000 in fiscal year 2002 and \$17,500,000 in fiscal year 2003 is allocated for both the pre-Advanced Placement/International Baccalaureate activities and for the Advanced Placement Incentive Program. The expenditure of such funds shall not be subject to the limitations in Rider 39, Limitation: Transfer Authority. The AP/IB program is also supported by an estimated \$13,000,000 in textbook expenditures.

For funds allocated by this rider that are used for teacher training, the Texas Education Agency shall give funding priority to teachers at public school campuses that do not offer Advanced Placement/International Baccalaureate courses.

It shall be the goal of the Texas Education Agency that Advanced Placement/International Baccalaureate courses are available at as many public school campuses as possible, without regard to the rural/urban status of the campus and the socioeconomic characteristics of its students.

30. **Communities in Schools.** Out of the funds appropriated above for Strategy B.2.3, Support Programs, \$12,788,865 shall be set aside out of State Compensatory Education Funds in each fiscal year to be transferred by interagency transfer voucher to the Texas Department of Protective and Regulatory Services for the Communities in Schools Program.
31. **Investment Capital Fund.** Out of funds appropriated above in Strategy B.3.2, Deregulation and School Restructuring, the Commissioner shall allocate an amount not less than \$7,000,000 in each year of the biennium to the Investment Capital Fund. Of that total, \$4,000,000 in each year shall be set aside from State Compensatory Education Funds and \$3,000,000 in each year shall be allocated directly from the Foundation School Program. Grants made pursuant to this rider are subject to the provisions contained in § 7.024 of the Texas Education Code, and grants may only be made to entities that meet the criteria set forth in that section. Subject to Texas Education Code § 7.024, eligible entities may include, but are not limited to, the Alliance Schools, AVANCE, Do Something, and Communities in Schools. Any unexpended balances in fiscal year 2002 are appropriated for fiscal year 2003.
32. **Extended Year Programs.** Out of Foundation School Program Compensatory Education Funds appropriated in Strategy B.3.2, Deregulation and School Restructuring, the commissioner shall distribute an amount not to exceed \$57,883,000 in 2002 and \$58,420,000 in 2003 to finance extended year programs under § 42.152(p), Texas Education Code.
33. **MATHCOUNTS.** Out of Foundation School Program Gifted and Talented Education Funds appropriated in Strategy A.3.3, Improving Educator Performance, the Commissioner shall set aside \$200,000 in each year of the biennium for the MATHCOUNTS program.
34. **Allocation of Funds to South Texas Independent School District.** Out of funds appropriated above for Strategy A.2.1, FSP - Equalized Operations, the Commissioner of Education shall withhold an amount sufficient to provide the South Texas Independent School District with adequate access to funding under Tier 2 of the Foundation School Program. The Commissioner

TEXAS EDUCATION AGENCY

(Continued)

shall adjust payments to the South Texas Independent School District to equal an amount to which the district would be entitled at the average effective tax rate in other school districts in Cameron County less the tax rate set by the district itself.

35. **Appropriation of Settle-Up Funds.** All funds received from local school districts as recovery for overpayment pursuant to the provisions of § 42.258 of the Texas Education Code are hereby appropriated to the Texas Education Agency for distribution to local school districts for foundation school program purposes.
36. **Appropriation of Attendance Credit Revenues.** All unexpended balances and all funds received from the payment of school districts for attendance credits in excess of the amounts appropriated above pursuant to the provisions of § 41.094 of the Texas Education Code, are hereby appropriated to the Texas Education Agency for distribution to school districts for foundation school program purposes.
37. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that, for the following fee-supported programs, fees, fines, and other miscellaneous revenues as authorized and generated by the Texas Education Agency cover, at a minimum, the cost of the appropriations made to support the programs, as well as the "other direct and indirect costs" associated with those functions appropriated elsewhere in this Act. "Other direct and indirect costs" for these programs are estimated to be \$402,240 in fiscal year 2002 and \$425,262 in fiscal year 2003 including employee matching costs and other indirect operating costs:

Guaranteed Program for School District Bonds
General Education Development (GED)
Driver Training
Motor Vehicle Registration Fees (Read to Succeed License Plates)

All fees collected in excess of the Comptroller of Public Accounts Biennial Revenue Estimate are hereby appropriated to the Texas Education Agency.

In the event that actual and/or projected fee revenue collections are insufficient to offset program costs, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided herein to be within the amount of fee revenue expected to be available.

38. **Permanent School Fund: External Management Fees.** Contingent on the State Board of Education adopting asset allocation and investment policies for the Permanent School Fund that produce income to the Available School Fund for support of appropriations above for Strategies A.2.1, FSP - Equalized Operations and C.1.2, School Finance System Operations, in excess of the amounts estimated in the Biennial Revenue Estimate prepared by the Comptroller of Public Accounts for the 2002–03 biennium, additional income projected by the Board for the Available School Fund from Permanent School Fund investments is appropriated to Strategy C.1.2, School Finance System Operations, for expenditure for internal costs and fees for external management of Permanent School Fund assets.

The additional amounts appropriated for external management costs may not exceed .5 percent of market value of funds placed with external managers and may not be transferred to any other strategy within Goal C, Texas Education Agency Operations, or to Goal D, Indirect Administration. The amounts appropriated shall be made available for expenditure on a quarterly basis. Appropriations for external management costs may only be expended if the Board awards contracts for external management services on an open, formal request for proposal process which gives consideration to both performance and price.

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(Continued)

39. **Limitation: Transfer Authority.** Notwithstanding the General Provisions of this Act, none of the funds appropriated above in Goal A, Standards of Achievement and Equity and Goal B, Local Excellence and Achievement, may be transferred to Goal C, Texas Education Agency Operations, or Goal D, Indirect Administration.

None of the funds appropriated to the Texas Education Agency for the purpose of funding the Foundation School Program under Chapter 42, Texas Education Code, may be transferred to any other item of appropriation or expended for any other purpose unless the Commissioner of Education provides written notice to the Legislative Budget Board and to the Governor of intent to transfer such funds at least fourteen days prior to the execution of the transfer. Such transfers from the Foundation School Program to other items of appropriation shall not exceed \$10 million in each fiscal year of the 2002–03 biennium. Any unexpended and unencumbered balances remaining after the last day of a fiscal year in any of the appropriations made for a purpose described by this provision shall lapse and accrue to the benefit of the unappropriated balance of the General Revenue Fund after taking into account the "settle-up" provision found in § 42.253 (i), Texas Education Code.

To the extent necessary to avoid reductions in state aid as authorized by § 42.253(h), Texas Education Code, and to the extent necessary to make adjustments authorized under § 42.252(e), Texas Education Code, the Commissioner of Education is authorized to transfer Foundation School Program funds from fiscal year 2003 to fiscal year 2002. Such transfers are subject to prior approval by the Governor and the Legislative Budget Board. The Comptroller of Public Accounts shall cooperate as necessary to assist the completion of a transfer and spending made under this section. Such transfers shall not exceed \$150 million.

40. **Additional Funding Sources.** If the appropriations provided by this Act for the Foundation School Program are not sufficient to provide for expenditures for enrollment growth, district tax rate or taxable value of property, after accounting for any other appropriations made to the TEA and available for transfer for this purpose, the Legislative Budget Board and the Governor's Office of Budget and Planning may provide for, and are hereby authorized to direct, the transfer of sufficient amounts of funds to the TEA from appropriations made elsewhere in this Act.
41. **Reduction in Districts Tier One Allotment.** To fund appropriations for programs from compensatory education allotments, the Commissioner of Education shall reduce each district's tier one allotment. The reductions shall be made in the same manner as described for a reduction in allotments under § 42.253, Education Code, and the Commissioner shall allocate funds to each district accordingly.
42. **Disciplinary Alternative Education Programs.** Out of the funds appropriated above in Strategy B.2.6, Safe Schools, there is hereby allocated the amount of \$18,000,000 for each year of the biennium for safe schools programs under Texas Education Code § 37.008.
43. **Funding for Juvenile Justice Alternative Education Programs.** Out of the funds appropriated above in Strategy B.2.6, Safe Schools, \$7,500,000 in 2002 and \$7,500,000 in 2003 shall be set aside from the Compensatory Education Allotment in each year and transferred to the Juvenile Probation Commission for the support of Juvenile Justice Alternative Education Programs. This set-aside shall not effect the calculation of the number of students in weighted average daily attendance under Texas Education Code § 42.302.
44. **FSP Funding for the Texas Youth Commission.** Out of the funds appropriated above in Strategy B.2.6, Safe Schools, the Texas Education Agency shall allocate to the Texas Youth Commission the basic allotment of the Foundation School Program minus the amounts allocated to the Commission pursuant to Texas Education Code § 30.102 (a) for each student in average daily attendance. These amounts are estimated to be \$10,586,901 in fiscal year 2002

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(Continued)

and \$11,218,614 in fiscal year 2003. This transfer shall not be subject to the limitation in Rider 39, Limitation: Transfer Authority.

- * 45. **Successful Schools Award Program.** Out of the funds appropriated above in Strategy A.1.2, Accountability System, \$2,500,000 in 2002 is allocated for the Successful Schools Award Program pursuant to § 39.091 et seq. of the Texas Education Code. Of this amount, \$500,000 in each year shall be awarded based upon criteria designed to recognize effective and innovative approaches to increasing the number of parents or guardians attending parent-teacher conferences.
- 46. **Early Childhood Education and Care Coordination.** It is the intent of the Legislature that the Texas Education Agency participate to the extent practicable in interagency early childhood education and care coordination initiatives. This includes but is not limited to participation in the Head Start collaboration project or any other interagency entity formed to address the coordination of early childhood care and education service delivery and funding.
- 47. **Programs for Parents.** It is the intent of the Legislature that the Texas Education Agency encourage parents of at-risk children to participate in parenting programs including but not limited to the home instruction program for pre-school youngsters, parents as teachers, Texas A&M Agricultural Extension Parenting Programs, and other parenting programs available in their communities. The Texas Education Agency shall utilize funds from Strategy B.2.3, Support Programs for this purpose.
- ** 48. **Guaranteed Yield Level.** In accordance with Chapter 42, Subchapter F, Texas Education Code, Guaranteed Yield Program (Tier Two), § 42.302, the guaranteed level per weighted student per cent of tax effort is hereby set at *\$25.81 in 2002 and \$27.14 in 2003*.
- 49. **Regional Education Service Center Dyslexia and Related Disorders Coordinators.** It is the intent of the Legislature that each Regional Education Service Center establish a coordinator for dyslexia and related disorders services pursuant to § 38.003 of the Texas Education Code. Out of the funds appropriated above in Strategy B.3.1, Regional Training and Development, the Commissioner of Education shall direct \$150,000 in each year of the biennium to assist in the funding of such coordinators.
- 50. **Receipt and Use of Federal Funds and Royalties.** The Commissioner of Education is authorized to apply for, receive and disburse funds in accordance with plans or applications acceptable to the responsible federal agency or other public or private entity that are made available to the State of Texas for the benefit of education and such funds are appropriated to the specific purpose for which they are granted. It is the intent of the Legislature that when entering into any contract or plan with the Federal Government or other entity, prime consideration shall be given to preserving maximum local control for school districts.

For the 2002–03 biennium, the Texas Education Agency is appropriated any royalties and license fees from the sale or use of education products developed through federal and state funded contracts managed by the agency. The Texas Education Agency shall report to the Legislative Budget Board and to the Governor’s Office no later than September 1, 2002 on earnings pursuant to this provision.
- 51. **Textbook Availability.** The Texas Education Agency shall work with independent school districts to ensure that the appropriate course textbook is available for each student in kindergarten through third grade enrolled in every core curriculum course.
- 52. **Parental Involvement.** In establishing the criteria for awarding grants from the Texas Education Agency to schools through the Governor’s Texas Reading Initiative, the

*Struck per House Bill 2879.

**Italicized language added or amended per House Bill 2879.

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Commissioner shall require any school-applicant to submit to the Commissioner a plan for parental involvement in its reading academy or reading program.

53. **School Improvement and Parental Involvement Initiative.** Out of the funds appropriated above in Strategy B.3.2, Deregulation and School Restructuring, and in Strategy A.3.3, Improving Education Performance, the Commissioner may fund programs intended to increase parent involvement and improve academic achievement. The Commissioner shall give priority to programs that provide matching funds. Programs that may be funded include, but are not limited to, Charles A. Dana Center at the University of Texas at Austin, AVANCE family support and education program, the State Marine Science Center in Palacios, the German Teacher Exchange Program, the Texas Council on Economic Education, and the One Community/One Child Program, the Elementary, Middle, and High School Mentor Program, the Superintendent Leadership Training Academy at Lamar University, and the Renewable Energy and Environmental Protection Summer Academy at Texas Southern University, and the Region VIII Campus Administrator Preparation Program. The Commissioner shall allocate \$125,000 in each year of the biennium for support of the State Marine Science Center in Palacios. Palacios Independent School District shall act as the fiscal agent for this appropriation, and shall direct an amount not to exceed \$50,000 in each year of the biennium for the maintenance and insurance of the State Marine Science Center. It is the intent of the Legislature that none of the funds expended by the Charles A. Dana Center shall be used to support the commercial development and marketing of textbooks.

Out of the funds appropriated above in Strategy B.3.2, Deregulation and School Restructuring, the Commissioner shall allocate \$500,000 or an additional amount at the discretion of the Commissioner in each year of the biennium to assist programs that sponsor academic competitions with teacher stipends, entrance fees, scholarships, and other expenses associated with participating in academic competitions. Eligible campuses must not have previously participated in academic competitions, and must seek to participate in competitions that do not prohibit the participation of students who have repeated one or more grade levels. In awarding grants under this provision the Commissioner shall give emphasis to campuses with high concentrations of economically disadvantaged students. TEA shall provide an annual report on the allocation of the funds.

The Commissioner shall evaluate programs funded under this section and programs that do not demonstrate a positive effect on student performance shall be eliminated.

54. **Special Foundation School Program Payments.** The Texas Academy of Leadership in Humanities is entitled to Foundation School Program (FSP) allotments for each student enrolled in the academy as if it were a school district, except that the local share applied is equal to the Beaumont ISD's local share. The same methodology shall apply to the Texas Academy of Mathematics and Science with a local share equal to Denton ISD's and to the Seaborne Conservation Corps, with a local share equal to Galveston ISD's.
- * 55. **Texas Reading and Math Initiatives.** Out of the funds appropriated above in Strategy B.1.2, Student Success, \$34,000,000 in 2002 and \$30,000,000 in 2003 shall be allocated to the *Texas Reading and Math Initiatives*. These funds shall be allocated in the following manner:
- a. *Funds shall be distributed by the Commissioner for reading diagnostic instruments and on a competitive grant basis to be used by schools for the implementation of scientific, research-based reading and mathematics programs, the purchase of additional instructional or diagnostic materials, necessary materials for libraries, instructional staff, or related professional staff development for educators with the goal of as much direct intervention with students as possible. To be eligible for funding, schools must perform a diagnostic assessment for below-grade level reading skills and submit a plan for parental involvement in the program.*

*Italicized language added or amended per House Bill 2879.

TEXAS EDUCATION AGENCY
(Continued)

- * b. The Commissioner of Education shall use not less than \$15 million of the funds to implement scientific-based content development for training materials, professional development institutes in mathematics and related research, as provided by §§7.058, 21.454, 21.455, Education Code, as added by HB 1144, Acts of the Seventy-seventh Legislature, Regular Session, 2001.

- * c. The Commissioner of Education may use a portion of the funds to implement the master mathematics teacher program as provided by §§ 21.0482 and 21.411, Education Code, as added by HB 1144, Acts of the Seventy-seventh Legislature, Regular Session, 2001, and shall transfer funds to the State Board for Educator Certification for creation of the master mathematics teacher certification as provided by § 21.0482, Education Code, as added by HB 1144, Acts of the Seventy-seventh Legislature, Regular Session, 2001.

*Added per House Bill 2879.

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(Continued)

- * d. An amount not to exceed 10 percent of the total Reading and Math Initiative appropriation may be used at the Commissioner's discretion for reading improvement, research or development.
- * e. The Commissioner may transfer up to 10 percent of the appropriation among strategies in Goals A and B.
- * f. An amount not to exceed \$1,000,000 in each year of the biennium may be distributed to schools by the Commissioner on a noncompetitive grant basis for the purchase of nonconsumable materials to be used with any or all of the state adopted basal reading programs to enhance the systematic instruction of phonics in early reading (K-3). Priority will be given to districts that do not have reading specialists or staff to train teachers. The Commissioner will develop criteria for distribution of grant funds and for materials eligible for purchase.
- * g. The Commissioner may transfer up to 5 percent of the appropriation from Goal A to Goal C, Operations or Goal D, Indirect Administration for purposes of administering and evaluating the program.
- * h. Any balances as of August 31, 2002, are appropriated for the 2003 fiscal year.
- * The Commissioner shall develop performance measures for the Reading *and Math* Initiative programs.

56. **Statewide Technology Initiatives.** The Texas Education Agency and the Telecommunications Infrastructure Fund Board shall coordinate their efforts providing educational technology to public schools in order to prevent duplication of effort and funding. The Texas Education Agency shall provide to the TIF Board annual and periodic accounting of the expenditure of TIF funds appropriated to the Agency, including the type of project funded at both the campus and district level. Public schools receiving TIF funding are entitled to an accounting of those funds. This information shall also be reported to the Legislature through the biennial Progress Report on the Long Range Plan for Technology.
57. **Funding for Tuition Credit Program.** Out of the funds appropriated above there is hereby transferred via interagency contract to the Texas Higher Education Coordinating Board an amount of funds, estimated to be \$4,525,000 in each year or the biennium, from the Foundation School Fund sufficient to pay for the Early High School Graduation Scholarship Program, and tuition and fee exemptions in accordance with Texas Education Code, §§ 54.212 and 54.214.
58. **Earned Federal Fund Appropriations.** Pursuant to Chapter 317 of the Texas Government Code, Earned Federal Funds earned in excess of the amounts shown in the Method of Finance for 2002 and 2003 are hereby appropriated to the Texas Education Agency in amounts not to exceed \$1,500,000 in each fiscal year. The additional amounts specified by this provision can be exceeded only with the prior approval of the Governor and the Legislative Budget Board.
59. **Texas Education Agency's Revolving Account.** It is the intent of the Legislature that the Comptroller of Public Accounts establish, maintain and appropriate the "Texas Education Agency's Revolving Account" to account for the expenditures, revenues, and balances of managing a full cost-recovery Consolidated Print Shop. The expenditures, revenues, and balances for this operation shall be maintained separately by the Texas Education Agency within its accounting system. Any unobligated balances as of August 31, 2002, are reappropriated for the same use during fiscal year 2003. For the purpose of meeting cash flow needs, the Texas Education Agency may temporarily transfer funds from Goal D, Indirect Administration, to the revolving account. Transfers must be returned by the end of the fiscal year.

*Added or amended per House Bill 2879.

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(Continued)

60. **Certification of Pre-kindergarten Expenditures.** Out of the funds appropriated above in Strategy A.2.1, FSP - Equalized Operations, the Texas Education Agency shall certify each year of the biennium the maximum pre-kindergarten expenditures allowable under federal law as maintenance of effort for Temporary Assistance for Needy Families (TANF) and state match for the Child Care Development Fund.
61. **Texas After-School Initiative.** Out of the funds appropriated to Strategy B.2.3, Support Programs, \$12,500,000 in 2002 and \$12,500,000 in 2003 shall be allocated for the Texas After-School Initiative and may be expended in accordance with the following provisions:
- a. Not less than 85 percent shall be distributed by the Commissioner for after-school programs and on a competitive grant basis to be used by eligible school districts for the implementation of quality after-school programs serving students of middle school age. Funding shall be targeted to districts that correspond with certain high juvenile crime zip codes as identified by juvenile referral data gathered by the Texas Criminal Justice Policy Council. To be eligible for funding, districts must demonstrate that the after-school programs primarily serve students at risk of academic failure and/or at risk of committing juvenile offenses, and that the programs include an academics-based curriculum linked to the Texas Essential Knowledge and Skills, a character/citizenship education component, a plan for parental and/or mentor involvement, and assurances that no supplanting of current funds dedicated to after-school programs will occur. Districts may contract with private sector organizations to deliver all or part of the program.
 - b. An amount not to exceed 10 percent of the total appropriation for fiscal year 2002 for the after-school initiative may be used at the Commissioner's discretion for after-school improvement, research or development, and mentoring. Any unexpended balances from this amount are reappropriated for fiscal year 2003.
 - c. The Commissioner may transfer up to 10 percent of the appropriation among strategies in Goals A and B.
 - d. The Commissioner may transfer up to 5 percent of the appropriation from Goal A to Goal C, Operations, or Goal D, Indirect Administration, for purposes of administering or evaluating the program.
62. **Head Start-Ready to Read Program.** Out of the funds appropriated in Strategy B.1.2, Student Success, \$7,500,000 in 2002 and \$7,500,000 in 2003 shall be used for the Texas Head Start-Ready to Read Programs, as programs providing an educational component to Head Start, or other similar government-funded early childhood care and education programs. The Texas Education Agency shall expend these funds in accordance with the following provisions and the provisions of Texas Education Code § 29.155 Ready to Read Grants, with Texas Education Code § 29.56 Grants or Educational Components of Head Start, and with the following provisions:
- a. Not less than 95 percent shall be distributed on a competitive grant basis to preschool programs to provide scientific, research-based, pre-reading instruction, with the goal of directly improving the pre-reading skills of three- and four-year-old children and identifying cost-effective models for pre-reading interventions. To be eligible for the grants, applicants must serve at least 75 percent low-income students, as determined by the Commissioner.
 - b. The Commissioner shall ensure the administration of the Head Start-Texas Ready to Read Grants is a preschool extension of the Texas Reading Initiative.

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- c. The Commissioner may transfer up to 5 percent of this appropriation from Goal A to Goal C, Operations, or Goal D, Indirect Administration, for purposes of administering and evaluating the programs.
 - d. Any balances as of August 31, 2002, are appropriated for the 2003 fiscal year.
63. **Technology Pilot Programs.** Out of the funds appropriated from the Telecommunications Infrastructure Fund in Strategy A.3.2, Technology, the Commissioner shall allocate an amount not to exceed \$683,600 in 2002 and 2003 to conduct the educational technology pilot programs, including the laptop initiative. The funds may be used for contractor fees, direct support to participating school districts for assistance in data collection and evaluation, and operating costs to the agency for project management. The Commissioner shall present the results of the pilot programs to the Legislature and the Governor no later than December 1, 2001. The expenditure of such funds shall not be subject to the limitations in Rider 39, Limitation: Transfer Authority. Any unexpended balances as of August 31, 2001 are hereby reappropriated to the agency for the same purposes for 2002.
- * 64. **Master Reading and Mathematics Teachers.** Out of funds appropriated above in Strategy A.3.3, Improving Educator Performance, the Texas Education Agency shall allocate \$8,000,000 in 2002 and \$12,000,000 in 2003 for the purpose of funding Master Reading *and Master Mathematics* Teacher stipends for school districts with certified Master Reading *and/or Master Mathematics* Teachers. *The Texas Education Agency may transfer funds to the State Board for Educator Certification for the creation of the Master Mathematics Teacher certification as provided by § 21.0482, Texas Education Code, as amended by HB 1144, Acts of the Seventy-seventh Legislature, Regular Session, 2001.*
- * 65. **Student Success Initiative.** Out of the funds appropriated above, \$110,282,758 in fiscal year 2002 and \$120,000,000 in fiscal year 2003 from the General Revenue Fund are allocated for the Student Success Initiative. With the exception of the amounts listed below, the Commissioner shall expend these funds for teacher training and allocations to schools for the purpose of implementation of scientific, research-based programs for students who have been identified as unlikely to achieve the third grade TAAS reading standard by the end of third grade, including those students with dyslexia and related disorders. The funding for student programs for fiscal year 2002 shall be limited to students in kindergarten, grade one, and grade two. The funding for student programs for fiscal year 2002 shall be limited to students in kindergarten, grade one, grade two, and grade three.
- a. An amount not to exceed 2 percent of the total appropriation for the initiative may be used at the Commissioner's discretion for research, development, and evaluation of the program. The expenditure of these funds shall not be subject to the limitations on transferability.
 - b. An amount not to exceed \$400,000 per year may be used by the Commissioner to administer the program. The expenditure of these funds shall not be subject to the limitations on transferability.
 - c. Any balances as of August 31, 2002, are reappropriated for fiscal year 2003 for the same purposes.
66. **Standards for Gifted and Talented Students Pilot Project.** It is the intent of the Legislature that the Texas Education Agency develop an assessment system and statewide standards for gifted and talented students at all grade levels. Out of the funds appropriated above in Strategy C.1.3, Improving Instruction Operations, the Texas Education Agency shall expend \$277,250 in each year of the 2002–03 biennium to develop such a system, and shall pilot standards for the performance of gifted and talented students in the areas of mathematics, science, social studies and language arts. School district participation in the project or in the use of the standards is not mandatory. At a minimum, the eighth grade pilot shall be completed by August, 2003.

*Italicized language added or amended per House Bill 2879.

TEXAS EDUCATION AGENCY

(Continued)

67. **Matching Funds for Library Purchases.** It is the intent of the legislature that for each dollar expended by each campus of each school district for books and other school library materials that are catalogued and circulated from a central source in each school building, the Texas Education Agency shall provide a 30 percent match to be used for the same purpose. The maximum amounts to which a match will pertain shall be \$1.00 per student in the district and the total amount allocated under this provision shall not exceed \$.30 per student enrolled in Texas public school in each year of the 2002–03 biennium. Funds expended pursuant to this provision may not supplant funds expended by school districts for school library materials. Funds for this purpose shall be allocated out of available federal Consolidated Administrative funds and from funds from grants subject to the federal "Ed Flex" statute. TEA may also use General Revenue Funds over which the Commissioner has discretion. Funds allocated pursuant to this provision shall not exceed \$1,200,000 in each year of the biennium.

The Texas Education Agency shall establish rules by which matching funds are allocated to individual campuses of the school districts. It is the intent of the legislature that public school libraries be in compliance with standards established by the State Library and Archives Commission. To meet that goal, it is also the intent of the legislature that school districts which do not yet meet the established standards shall direct any matching funds allocated under this provision on purchases designed to bring the district into compliance.

68. **Notification of Investigation Findings.** The agency shall notify the State Senators and Representatives that represent districts directed by the Texas Education Agency to perform internal investigations of the findings of such investigations prior to the release of the findings.
69. **Coordination of Assistance to School Districts.** The Texas Education Agency shall work in cooperation with the Texas Comptroller of Public Accounts to assist school districts in the investment of funds and with the Bond Review Board to assist school districts entering into bonded indebtedness or lease purchase agreements.
70. **Education Technology Coordinating Council.** The Texas Education Agency (TEA), the Department of Information Resources (DIR), the General Services Commission (GSC), the State Board for Educator Certification (SBEC), the Telecommunications Infrastructure Fund Board (TIFB), the State Library and Archives Commission (SLAC), the Higher Education Coordinating Board (HECB), Colleges of Education, and the Colleges of Library Science shall ensure that their Agency Strategic Plans adhere to and support the State of Texas Master Plan for Educational Technology prepared by the Education Technology Coordinating Council (the Council) under the provisions of Rider 74, House Bill 1, Seventy-sixth Legislature.

The TEA, DIR, GSC, SBEC, TIFB, SLAC, HECB, Colleges of Education, and the Colleges of Library Science shall direct a representative of their agency or institution to participate in the Council. The Council shall ensure the coordination of the state's efforts to implement educational technology initiatives.

The Council is charged with the continuing development and maintenance of the State of Texas Master Plan for Educational Technology and submitting an updated Master Plan to the Legislature in December of every even-numbered year. The Plan shall articulate the vision and maintain the unified policy direction to guide the creation and implementation of education technology initiatives in Texas.

The ETCC shall give particular attention to the coordination of pre-service and in-service training for teachers and librarians.

71. **Arts Education.** Out of the Foundation School Program funds appropriated to the Texas Education Agency in this Act, \$300,000 in fiscal year 2002, and \$300,000 in fiscal year 2003 shall be directed to and expended by the Commission on the Arts under the Commission's

TEXAS EDUCATION AGENCY

(Continued)

Strategy B.1.1, Arts Education, for the purpose of awarding grants for arts education. These amounts shall be directed and expended in addition to funds separately appropriated under this Act to the Commission on the Arts under Strategy B.1.1, Arts Education.

72. **Pilot Project: Learning Through Listening.** Out of the funds appropriated above in Strategy B.2.2, Students with Disabilities, the Commission shall expend \$171,299 in 2002 and \$158,100 in 2003 to pilot a program of intensive reading instruction using recorded material technology for visually impaired and reading disabled students. The program shall target students in kindergarten through third grade with learning disabilities, dyslexia, vision impairments, and physical disabilities in integrated settings.
73. **Kindergarten and Pre-kindergarten Grant Programs.** Out of the funds appropriated above in Strategy B.1.2, Student Success, the Commissioner of Education shall allocate \$100,000,000 in 2002 and \$100,000,000 in 2003 for the purpose of providing grants for kindergarten and pre-kindergarten programs consistent with the provisions of Texas Education Code § 29.155. Any unexpended balances as of August 31, 2002, are appropriated for the same purpose for the 2003 fiscal year.
74. **Basic Skills Programs for High School Students.** Out of funds appropriated above in Strategy B.1.2, Student Success, the Commissioner of Education shall, in a manner consistent with Texas Education Code § 29.086, allocate \$42,500,000 in 2002 and \$42,500,000 in 2003 as grants to school districts implementing special programs for students in grade 9 who have not earned sufficient credit to advance to grade 10 and who do not meet the Commissioner's established minimum skill levels. Any unexpended balances as of August 31, 2002, are appropriated for the same purpose for the 2003 fiscal year.
75. **Windham School District Priorities.** The Windham School District should identify younger offenders with the lowest educational levels as a high priority population when allocating educational resources. This policy shall not preclude the Windham School district from serving other populations according to needs and resources. The Windham School District will report to the Seventy-eighth Legislature regarding their effort and success in implementing this prioritization.
76. **Careers to Classrooms Program.** Contingent upon passage of House Bill 704, the Texas Education Agency may draw down any and all available Federal Funds for the purposes of the program.
77. **Adult Education.** Priority shall be given to adult literacy programs in the expenditure of adult education funds appropriated above. It is the intent of the Legislature that, in providing educational programs, the administering agency or agencies shall make every effort to provide appropriate training to recipients of Temporary Assistance for Needy Families (TANF) in accordance with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Out of the \$6,000,000 in general revenue funds appropriated each year above in Item B.2.5, Adult Education and Family Literacy, an amount not less than \$2,000,000 each year shall be allocated to TEA's adult education cooperatives to provide education and training services to TANF recipients. In addition, out of the Federal TANF funds appropriated above in Item B.2.5, \$6,100,000 in 2002 and \$6,500,000 in 2003 shall be directed for services for adults who are eligible for TANF. Families that include a child living at home are deemed eligible for TANF-funded adult education services if a family member receives any of the following forms of assistance: Food Stamps, Medicaid, Children's Health Insurance Program, Child Care and Development Fund, or Free or Reduced Priced Lunch Program. To implement these provisions, TEA shall enter into contracts or arrangements with the agency or agencies administering welfare reform and may work with other community-based organizations to offer services directly to adult TANF recipients. All providers of adult education shall meet the requirements

TEXAS EDUCATION AGENCY

(Continued)

defined in the Texas Education Code. Federal funds appropriated for this purpose shall be used for administrative expenditures only to the extent allowable under Federal regulations.

78. **Adult Education Accountability.** It is the intent of the Legislature that the Texas Education Agency improve accountability of funds spent on adult education by continuing to implement improvements to the Adult Community Education System and reevaluating current contracting procedures with adult education providers to ensure maximum competition. The agency may collaborate with the Texas Higher Education Coordinating Board and the Texas Workforce Commission as necessary to implement this rider.
79. **Adult Education Provider Application.** The Texas Education Agency shall develop and by rule adopt an application form to be used by persons seeking agency approval to provide adult education programs. The agency shall consult with adult education program providers and other affected persons in designing the application to ensure that the application is designed for the convenience of an applicant and requires only concise and specific information necessary to determine the qualifications of an applicant. The agency shall solicit comments and recommendations related to the effectiveness of the application process from adult education program providers.
80. **Training for the Recommended High School Program.** Out of the funds appropriated above in Strategy B.3.1, Regional Training and Development, the Regional Education Service Centers shall use an amount sufficient to assist school districts with the teacher training and preparation necessary to expand the availability of the recommended high school program.
81. **High Cost Reimbursement Grant Program.** Out of the funds appropriated above Strategy B.2.2, Students with Disabilities, the Commissioner shall allocate up to \$10,000,000 in 2002 and \$10,000,000 in 2003 in federal School Renovation Grants for a grant program to assist school districts and charter schools whose per student costs for expenses related to the Individual with Disabilities Act substantially exceeds the state average per pupil expenditure as defined in § 14101 (2) of the Elementary and Secondary Education Act of 1965 (20 USC 8801 (2)). It is the intent of the Legislature that the use of these funds by school districts and charter schools does not violate the least restrictive environment requirements of IDEA Amendments of 1997, relating to placement and state funding systems that distribute funds based on type of setting.
82. **Progress Report on Full-time Equivalent Positions.** It is the intent of the Legislature that the Texas Education Agency shall, efficiently and reasonably, shift up to 50 full-time equivalent positions to locations outside of Travis County. No later than January 1, 2003, the Texas Education Agency shall report to the Governor's Office and the Legislative Budget Board on the progress of this effort.
83. **Texas Engineering Foundation.** Contingent on the passage of House Joint Resolution 75 and subsequent approval by the voters, there is hereby appropriated out of the general revenue fund to the Texas Education Agency for distribution to the Texas Engineering Foundation \$592,068 for the purpose of providing math training, materials, curriculum, and other related services to teachers.
84. **Funds for Teacher Mentoring Programs.** The Texas Education Agency shall allocate an amount not to exceed \$350,000 in each year of the 2002–03 biennium to the State Board of Educator Certification for the operation, marketing, and support of school district based teacher mentoring programs. Funds for this purpose shall be allocated out of available federal program funds subject to the federal "Ed Flex" legislation or similar legislation or rules. Districts may apply directly to TEA for teacher mentoring funds as a part of several ESEA federal grant programs.

TEXAS EDUCATION AGENCY
(Continued)

85. **Driver Training Program Enforcement.** It is the intent of the legislature that the Commissioner ensure the adoption of rigorous standards to meet the requirements of § 11 of Article 4413 (29c) VTCS, relating to the security and validity of driving safety programs provided by alternative delivery methods. No later than December 1, 2001, the Commissioner shall provide to the House Public Safety Committee and the Senate Criminal Justice Committee the approved standards and a plan for such enforcement.
86. **Agriculture Education Field Personnel.** Out of the funds appropriated above, the Texas Education Agency shall allocate \$250,000 in each year of the biennium to support a half-time agricultural education specialist in each of the following five geographically dispersed institutions of higher education in the state: West Texas A&M University, Angelo State University, Sul Ross State University, Sam Houston State University and Southwest Texas Junior College.
87. **Interagency Council on Early Childhood Intervention.** Out of the funds appropriated above in strategy B.2.2, Students with Disabilities, \$5,100,000 in 2002 and \$11,400,000 in 2003 shall be set aside from the Special Education Allotment and transferred to the Interagency Council on Early Childhood Intervention to support eligibility determination. This set-aside shall not affect the calculation of the number of students on weighted average daily attendance under Texas Education Code § 42.302.
88. **Equipment for Cardio-pulmonary Resuscitation.** Notwithstanding any other provision of this Act, the Texas Education Agency may accept donations of equipment, including dummies, intended for use in Cardio-pulmonary Resuscitation (CPR) training. Upon receipt of such equipment, the TEA shall distribute the equipment to districts including CPR training within their curriculum. The Commissioner may adopt rules to implement this provision.
89. **School District Teacher Misconduct Reporting.** From funds appropriated, the State Board of Educator Certification, the Texas Education Agency, and the University of Texas System shall coordinate to work with school districts to ensure timely and accurate reporting of teacher misconduct as required under Texas Administrative Code § 249.14.
90. **Available School Fund.** The State Board of Education shall provide to the Comptroller of Public Accounts a memorandum of commitment indicating that changes in the Permanent School Fund investment strategy will result in an additional \$150,000,000 in the 2002–03 biennium over the Comptroller’s official estimate of Permanent School Fund interest, dividend, and other revenue earnings as reported in the 2002–03 Biennial Revenue Estimate or, if applicable, in the latest succeeding official revenue estimate issued by the Comptroller prior to the date of the agreement.
91. **Allocations Pursuant to Other Legislation.** The Legislative Budget Board is hereby directed to make appropriate method of finance and annual allocation technical adjustments to \$2,315,000,000 appropriated above in Strategy A.2.1, FSP - Equalized Operations, pursuant to enactment of HB 3343, SB 1766, SB 1785, HB 2879 or other legislation impacting the Foundation School Program or school district employee health insurance. The Legislative Budget Board shall make appropriate technical adjustments to all necessary strategies, measures and riders and to implement and reflect the provisions of that legislation, including appropriate interagency transfers. To the extent authorized by the legislation, the Number of Full-Time Equivalent Positions shall be increased by the Legislative Budget Board in order to implement the provisions of the legislation.

TEXAS EDUCATION AGENCY
(Continued)

92. **Passing Rate Targets for the New Assessments.** If the Texas Education Agency determines, after analysis of all relevant data, that passing rates for the new assessments in 2003 will be significantly lower than the targets contained in this Act, the Agency shall notify the Legislative Budget Board and the Governor's Office of Budget and Planning of the new projected passing rates and the reasons for the lower estimates.
- * 93. **Foundation School Program Payment System Upgrade.** Out of the funds appropriated above in Strategy C.1.2, School Finance System—Operations, \$300,000 in 2002 is intended to support required system upgrades to the Foundation School Program payment system as needed to make appropriate state aid payments to school districts pursuant to the requirements of HB 3343, Acts of the Seventy-seventh Legislature, Regular Session, 2001.
- * 94. **Average Daily Attendance Decline.** Funds appropriated above in Strategy A.2.1, Foundation School Program—Equalized Operations, include \$11 million in each year of the 2002–03 biennium to implement § 42.005, Texas Education Code, as amended by House Bill 2879, Acts of the Seventy-seventh Legislature, Regular Session, 2001. Expenditures pursuant to this provision shall not exceed \$22 million for the 2002–03 biennium.
- * 95. **Technology Charter School.** The funds appropriated above in Strategy B.3.1, Regional Training and Development, include \$1,000,000 in each year of the biennium which shall be used at the discretion of the Commissioner for projects including the Technology Charter School at the University of Texas at Austin.

*Rider added per House Bill 2879.

STATE BOARD FOR EDUCATOR CERTIFICATION

	For the Years Ending	
	August 31, 2002	August 31, 2003
A. Goal: EDUCATOR CERTIFICATION		
The State Board for Educator Certification will ensure the highest level of educator preparation and practice to achieve student excellence.		
Outcome (Results/Impact):		
Percent of Teachers Who Are Fully Certified	90.2%	90.3%
Percent of Teachers Who Are Employed/Assigned to Teaching Positions for Which They Are Fully Certified	85%	85%
Percent of Beginning Teachers Remaining in the Classroom after Three Years	60%	60%
Percent of Documented Complaints Resolved within Six Months	55%	55%
Percent of Educator Preparation Programs Rated “Accredited”	85%	85%
Percent of Surveyed Customer Respondents Expressing Overall Satisfaction with Services Received	90%	95%
A.1.1. Strategy: EDUCATOR QUALITY/ACCOUNTABILITY		
Build the capacity of the Texas public education system so that all candidates for certification or renewal of certification demonstrate the knowledge and skills necessary to improve academic performance of all students in the state.	\$ 9,759,000	\$ 10,248,490
Output (Volume):		
Number of Individuals Issued Initial Teacher Certificate	23,100	24,200
Number of Temporary Credentials Issued	19,000	18,500
Efficiencies:		
Average Time for Certificate Issuance (Days)	30	30
Average Cost Per Certification Examination Administered	62	62
A.1.2. Strategy: RETENTION, RECRUITMENT		
Reduce the teacher shortage through the creation and expansion of preparation programs and the support of beginning educators.	\$ 4,859,270	\$ 307,848
Output (Volume):		
Number of SBEC Teacher Induction Program Participants	2,700	0
Number of Previously Degreed Individuals Issued Initial Teacher Certificate	11,000	11,000
Number of Individuals Issued Initial Teacher Certificate Concurrent with Receiving Baccalaureate Degree	14,490	15,180
A.1.3. Strategy: EDUCATOR PROFESSIONAL CONDUCT		
Implement measures to ensure all educators engage in high levels of professional conduct.	\$ 1,284,078	\$ 1,284,078
Output (Volume):		
Number of Complaints Resolved	1,800	1,800
Number of Complaints Pending	800	800

STATE BOARD FOR EDUCATOR CERTIFICATION
(Continued)

Efficiencies:

Average Time for Resolving Complaints (Days)	260	260
Average Cost Per Complaint Resolved	393	386

Total, Goal A: EDUCATOR CERTIFICATION	<u>\$ 15,902,348</u>	<u>\$ 11,840,416</u>
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Grand Total, STATE BOARD FOR EDUCATOR CERTIFICATION	<u><u>\$ 15,902,348</u></u>	<u><u>\$ 11,840,416</u></u>
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Method of Financing:

General Revenue Fund

General Revenue Fund	\$ 1,898,028	\$ 323,848
Certification and Assessment Fees (General Revenue Fund)	10,383,978	11,516,568

Subtotal, General Revenue Fund	<u>\$ 12,282,006</u>	<u>\$ 11,840,416</u>
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Federal Health, Education and Welfare Fund No. 148	2,977,242	0
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Telecommunications Infrastructure Fund No. 345	643,100	0
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Total, Method of Financing	<u><u>\$ 15,902,348</u></u>	<u><u>\$ 11,840,416</u></u>
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Number of Full-Time-Equivalent Positions (FTE):	52.0	52.0
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Schedule of Exempt Positions:

Executive Director, Group 3	\$78,000	\$78,000
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Supplemental Appropriations Made in Riders:	\$ 1,650,000	\$ 0
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1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	<u>2002</u>	<u>2003</u>
a. Acquisition of Information Resource Technologies		
(1) Integrated Educator Preparation Certification, Assessment & Accountability	\$ 845,125	\$ 0
(2) Integrated Reporting System (IRS)	643,100	0
Total, Acquisition of Information Resource Technologies	<u>\$ 1,488,225</u>	<u>\$ 0</u>
Total, Capital Budget	<u><u>\$ 1,488,225</u></u>	<u><u>\$ 0</u></u>

Method of Financing (Capital Budget):

Telecommunications Infrastructure Fund No. 345	\$ 643,100	\$ 0
Certification and Assessment Fees (General Revenue Fund)	<u>845,125</u>	<u>0</u>
Total, Method of Financing	<u><u>\$ 1,488,225</u></u>	<u><u>\$ 0</u></u>

STATE BOARD FOR EDUCATOR CERTIFICATION

(Continued)

2. **Reimbursement of Advisory Committees.** None of the funds appropriated in this Act to the State Board for Educator Certification may be used for the reimbursement of advisory committee members unless the Chairman of the Board provides written notification, including a justification of the purpose of the committee, to the Legislative Budget Board and the Governor.
3. **Appropriations Limited to Revenue Collections.** It is the intent of the Legislature that fees, fines, and other miscellaneous revenues as authorized and generated by this agency cover, at a minimum, the cost of the appropriations made above for Strategies A.1.1. and A.1.3, as well as the "other direct and indirect costs" associated with these functions, appropriated elsewhere in this Act. "Other direct and indirect costs" for these functions are estimated to be \$576,131 in 2002 and \$678,328 in 2003. In the event that actual and/or projected revenue collections are insufficient to offset the cost identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority above to be within the amount of revenue expected to be available. This provision does not apply to \$16,000 for each year in General Revenue for Strategy A.1.3 and \$643,100 in fiscal year 2002 in Telecommunications Infrastructure Fund No. 345 for Strategy A.1.1.
4. **Assessment Fees.** In order to ensure that all examinations required for certification reflect the Texas Essential Knowledge and Skills developed under § 28.002 of the Texas Education Code as well as the competencies required of professional educators, all unexpended balances of appropriated certification and assessment fees remaining as of August 31, 2001, are hereby appropriated for the biennium beginning September 1, 2001, in an amount not to exceed \$1,650,000. Unexpended appropriated balances on hand at the end of fiscal year 2002 may be carried over to fiscal year 2003 in an amount not to exceed \$310,000. Such appropriation and carry-forward may only be used for the purpose of test administration and development.
5. **Exam Locations.** The State Board for Educator Certification shall continue to ensure that sites in the state of Texas that provide the main certification examination for educators (a.k.a. ExCET) are located such that there is a site within 50 miles of every Board-approved educator preparation program. In addition, the Board shall conduct a study to determine the potential savings of offering the ExCET exam in all approved educator preparation program facilities.
6. **Integrated Reporting System.** The State Board for Educator Certification shall coordinate with the Texas Education Agency and the Higher Education Coordinating Board regarding sharing, integrating, and housing pre-kindergarten through grade 16 (P-16) public education data. The three agencies shall work together to ensure that common and related data held by each agency is maintained in standardized, compatible formats to enable the efficient exchange of information between agencies and for matching of individual student records for longitudinally based studies and analysis. It is the intent of the legislature that individual initiatives interact seamlessly across agency systems to facilitate efforts to integrate the relevant data from each agency into a longitudinal public education data resource to provide a widely accessible P-16 public education data warehouse.
7. **Texas Beginning Educator Support System.** The State Board for Educator Certification shall seek federal funds to continue the Texas Beginning Educator Support System (TxBESS) or any other beginning teacher induction/mentor program. Any federal funds received by the State Board for Educator Certification for this purpose are hereby appropriated to the agency. Article IX provisions regarding transferability notwithstanding, the agency may transfer General Revenue from one strategy to another, or carry forward unexpended balances from fiscal year 2002 in fiscal year 2003, to reach an annual funding level of \$3 million for the Texas Beginning Educator Support System for each year of the 2002-2003 biennium. Any federal funds received by the agency for a beginning educator induction program shall reduce the use of carried-forward unexpended appropriated General Revenue funding, or inter-strategy transfer of General Revenue, so as to maintain a \$3 million annual funding level for the induction program.

STATE BOARD FOR EDUCATOR CERTIFICATION

(Continued)

If the agency receives a state fiscal year grant of more than \$3 million for either year of the biennium, it may not expend any carried-forward unexpended appropriated or inter-strategy transfer of General Revenue funds for the induction program.

As part of the beginning educator induction program, the agency shall train districts to develop and operate their own local induction programs, based on the statewide TxBESS model.

The agency shall report on its efforts to obtain federal funds for beginning educator induction/mentoring to the Seventy-eighth Legislature.

8. **Test Development.** The State Board for Educator Certification shall consider the use of standard exams that are not specific to Texas curricula to complement a core of Texas-specific exams and/or replace certain Texas-specific exams planned or under development. The board shall consider the following factors when determining whether a Texas-specific exam is necessary - the number of Texas educators likely to take the exam; the extent to which educators from states that use a standard exam pass similar Texas-specific exams; the similarity of content covered in a standard exam versus the planned Texas-specific exam, understanding that 100 percent of alignment is not necessary; and the relative cost to the state and to examinees of a standard exam versus a Texas-specific exam.

The State Board for Educator Certification is hereby authorized to expend funds appropriated in Strategy A.1.1, Educator Quality/Accountability, for test development for the evaluation and purchase of standard exams, if the Board finds that a standard exam is appropriate.

9. **Federal Funds for Test Development.** The State Board for Educator Certification shall seek federal funds to provide for the development of new certification examinations. Any federal funds received by the State Board for Educator Certification for this purpose are hereby appropriated to the agency. The agency may not expend more than \$2.8 million for test development in the 2002–2003 biennium in all funds.

The agency shall transfer an amount of General Revenue equal to any federal funds received for test development from Strategy A.1.1, Educator Quality/Accountability, to Strategy A.1.2, Retention, Recruitment, for the Texas Beginning Educator Support System mentoring program.

10. **Communication of New Rules.** It is the intent of the Legislature that the State Board of Educator Certification communicate the adoption of new rules directly to school districts and institutions of higher education by electronic mail or regular mail in a timely manner. The board will also post newly adopted rules on the Internet for review.
11. **Reporting of Teacher Misconduct.** From funds appropriated, the State Board of Educator Certification, the Texas Education Agency, and the University of Texas System shall coordinate to work with school districts to ensure timely and accurate reporting of teacher misconduct as required under Texas Administrative Code 249.14.

SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

	For the Years Ending	
	August 31, 2002	August 31, 2003
A. Goal: ACADEMIC AND LIFE TRAINING		
Students who are visually impaired or deafblind will demonstrate the skills and knowledge to lead vocationally, personally, and socially satisfying lives as demonstrated by academic success and successful transition to the community.		
Outcome (Results/Impact):		
Percent of Student Learning Indicator Attained	100%	100%
Percent of Graduated Students from the past Five Years		
Currently Employed	45%	50%
Percent of Students Whose Responding Local School Districts Rated Their Learning Experience at Summer School as Very Satisfactory or above	85%	85%
A.1.1. Strategy: CLASSROOM INSTRUCTION	\$ 3,580,561	\$ 3,580,561
Provide a well-balanced curriculum which includes disability-specific skills and which meets either State Board of Education requirements for regular education or individual education plan goals. Provide instruction in academic/functional, vocational, and orientation and mobility skills and promote the successful transition of students to local schools, community placements, work, or further education.		
Output (Volume):		
Number of Students Enrolled in Day Programming During Regular School Year	145	145
Number of Students Enrolled Who Have Multiple Disabilities	106	106
Efficiencies:		
Average Cost of Instructional Program Per Student Per Day	124.73	124.73
Explanatory:		
Average Length of Enrollment in Regular School Year Program (Months)	32	32
A.1.2. Strategy: RESIDENTIAL PROGRAM	\$ 2,628,959	\$ 2,628,959
Conduct residential programming that provides instruction in independent living skills and social skills.		
Output (Volume):		
Number of Students Enrolled in Residential Programming During Regular School Year	135	135
A.1.3. Strategy: SUMMER AND SHORT PROGRAMS	\$ 1,185,537	\$ 1,185,537
Provide a variety of instructional and residential short-term special programs including summer enrichment programs designed to meet the educational needs of students with visual impairments. Curriculum will be provided in the following content areas: compensatory academic skills, including communication modes; social interaction skills; recreation and leisure skills; use of assistive technology; orientation and mobility; independent living skills; career education; and visual efficiency skills.		
Output (Volume):		
Number of Students Enrolled in Short-term Special Programs	350	350

SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED
(Continued)

Efficiencies:		
Average Cost of Short-term Special Programs Per Student	3,147.25	3,147.25
A.1.4. Strategy: RELATED AND SUPPORT SERVICES	\$ 3,486,872	\$ 7,910,468
Provide related services during the regular school year and short-term special programs that support the instruction of students attending TSBVI.		
Output (Volume):		
Number of Students Receiving Physical/Motor Services	457	457
Total, Goal A: ACADEMIC AND LIFE TRAINING	\$ 10,881,929	\$ 15,305,525

B. Goal: STATEWIDE RESOURCE CENTER
Families, professionals, and paraprofessionals will have the knowledge and skills necessary to improve educational programming and other services for all Texas students who are visually impaired or deafblind.

Outcome (Results/Impact):		
Percent of Families, Professionals, and Paraprofessionals Rating as Very Satisfactory or above the Improvement of Their Knowledge and Skills as a Result of the Services or Products Received from TSBVI		
B.1.1. Strategy: TECHNICAL ASSISTANCE	82%	85%
Provide technical assistance and information and referral services for families of and programs serving children with visual impairments and children with deaf-blindness through preservice, inservice and family services programs.	\$ 2,268,507	\$ 2,268,507
Output (Volume):		
Number of On-site Visits	165	166
Number of Participants in Video Conferencing Events	200	250

C. Goal: EDUC PROFESSIONAL SALARY INCREASES		
Educational professional salary increases.		
C.1.1. Strategy: EDUC PROFESSIONAL SALARY INCREASES		
Provide for payment of salary increases for educational professionals equal to the increases granted to employees employed in comparable positions in the Austin Independent School District. Estimated.	\$ 177,144	\$ 366,437

D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 2,771,002	\$ 2,643,377
Grand Total, SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED	<u>\$ 16,098,582</u>	<u>\$ 20,583,846</u>

Method of Financing:		
General Revenue Fund	\$ 12,698,184	\$ 12,049,448
<u>Federal Funds</u>		
Federal Health, Education and Welfare Fund No. 148	84,000	84,000
Federal Funds	2,014,921	2,014,921
Subtotal, Federal Funds	\$ 2,098,921	\$ 2,098,921

SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED
(Continued)

<u>Other Funds</u>		
Appropriated Receipts	1,085,996	1,085,996
Interagency Contracts	215,481	215,481
Bond Proceeds - General Obligation Bonds	0	5,134,000
Subtotal, Other Funds	\$ 1,301,477	\$ 6,435,477

Total, Method of Financing	<u>\$ 16,098,582</u>	<u>\$ 20,583,846</u>
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Number of Full-Time-Equivalent Positions (FTE):	357.5	357.5
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Schedule of Exempt Positions:		
Superintendent, Group 3	\$84,000	\$84,000

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	<u>2002</u>	<u>2003</u>
a. Construction of Buildings and Facilities		
(1) Phase III Campus Facilities Upgrades	\$ 0	\$ 3,713,000
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Maintain and Renovate Aging Facilities	\$ 622,449	\$ 1,421,000
c. Acquisition of Information Resource Technologies		
(1) Instructional Materials	173,225	173,225
(2) Technology Infrastructure Upgrade/Replacement	77,500	0
(3) Technology Upgrade	<u>\$ 63,000</u>	<u>\$ 63,000</u>
Total, Acquisition of Information Resource Technologies	<u>\$ 313,725</u>	<u>\$ 236,225</u>
d. Transportation Items		
(1) School Transportation	\$ 168,000	\$ 0
e. Other Lease Payments to the Master Lease Purchase Program (MLPP)		
(1) Lease Payments (MLPP) for 1998-99 Acquisition of a School Bus	\$ 17,554	\$ 17,474
Total, Capital Budget	<u>\$ 1,121,728</u>	<u>\$ 5,387,699</u>

Method of Financing (Capital Budget):

General Revenue Fund	\$ 1,121,728	\$ 253,699
Bond Proceeds - General Obligation Bonds	<u>0</u>	<u>5,134,000</u>
Total, Method of Financing	<u>\$ 1,121,728</u>	<u>\$ 5,387,699</u>

2. **Educational Professional Salary Increases.** The funds appropriated in Strategy C.1.1, Educational Professional Salary Increases, are estimated General Revenue and are contingent upon the increases granted to comparable educational professionals in the Austin Independent School District. No later than November 1 of each year of the biennium, the Texas School for the Blind and Visually Impaired shall submit, in a form acceptable to the Legislative Budget

SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED
(Continued)

Board and the Governor, a computation of the salary increases. The school is directed to include in each year of the subsequent biennium baseline budget request the actual amount expended for salary increases in the second year of the previous biennium.

- 3. **Teacher Preparation Consortium.** Out of the funds appropriated above in Strategy B.1.1, Technical Assistance, \$900,000 in each year of the biennium is Federal CFDA number 84.027, Special Education Grants. These funds shall be used to support professional preparation for teachers of students with visual impairments. The funds shall be expended under the provisions of a memorandum of understanding executed by Texas School for the Blind and Visually Impaired, Texas Tech University, and Stephen F. Austin University.
- 4. **Limitation on Construction.** None of the funds appropriated above may be used to construct a swimming pool or natatorium.

SCHOOL FOR THE DEAF

	For the Years Ending	
	August 31,	August 31,
	2002	2003
A. Goal: ACADEMIC, LIFE, AND WORK TRAINING		
Texas School for the Deaf students will demonstrate the academic, career and work, and life skills necessary for students to become productive citizens and to achieve their maximum potential.		
Outcome (Results/Impact):		
Percent of Academic Courses in Which Students Obtain a Passing Grade		
	97%	97%
A.1.1. Strategy: CLASSROOM INSTRUCTION	\$ 6,400,128	\$ 6,153,962
Provide instruction utilizing a rigorous, relevant, comprehensive curriculum to meet the needs of each learner.		
Output (Volume):		
Number of Students Enrolled at Texas School for the Deaf	520	525
Number of Students Enrolled in the Special Needs Department	75	75
Efficiencies:		
Average Cost of Instructional Program Per Student Per Day	63.25	62.68
Explanatory:		
Average Length of Enrollment (By Months) in Regular Year Program		
	39	40
A.1.2. Strategy: RESIDENTIAL PROGRAM	\$ 7,352,175	\$ 3,181,858
Provide after-school residential, extracurricular, and athletic programs that support student learning and acquisition of life skills.		
Output (Volume):		
Number of Residential Students	325	330
Efficiencies:		
Average Cost of Residential Program Per Student Per Night	34.84	33.83
A.1.3. Strategy: RELATED AND SUPPORT SERVICES	\$ 7,340,672	\$ 4,641,235
Provide related and support services necessary for students to benefit from educational programs.		
Output (Volume):		
Number of Students Receiving Counseling	100	110
Number of Comprehensive Assessments Conducted for Current Students	160	170

SCHOOL FOR THE DEAF
(Continued)

Efficiencies:		
Average Cost of Related and Support Services Per Student	8,905.14	8,840.45
A.1.4. Strategy: EXTENDED-YEAR SERVICES	\$ 247,952	\$ 247,952
Provide extended-year and specialized summer services to eligible Texas School for the Deaf students to support academic, career, and work and life skills acquisition.		
Output (Volume):		
Number of Texas School for the Deaf Students Enrolled in Summer Programs	150	150
Number of Students Enrolled in Extended Year Services	47	50
Efficiencies:		
Average Cost of Summer Program Per Texas School for the Deaf Student	1,016.31	1,013.72
Total, Goal A: ACADEMIC, LIFE, AND WORK TRAINING	\$ 21,340,927	\$ 14,225,007

B. Goal: OUTREACH AND RESOURCE SERVICES
Texas students, professionals, families, local school districts, Regional Day School Programs for the Deaf (RDSPDs) and agencies will benefit from Texas School for the Deaf outreach and resource services.

B.1.1. Strategy: TECHNICAL ASSISTANCE	\$ 169,143	\$ 169,143
Provide technical assistance through seminars, workshops, conferences, site visits, consultations, publications, and Website to agencies, organizations, individuals, and families involved in the education of persons who are deaf and hard of hearing.		
Output (Volume):		
Number of Participants in Workshops and Training Seminars	4,083	4,492
Number of Assessments Provided to Non-Texas School for the Deaf Students	150	150
B.1.2. Strategy: TSD SPECIALIZED SHORT-TERM PROGRAMS	\$ 235,718	\$ 236,637
Provide specialized short-term services to eligible non-TSD students and families to support academic, career, and work and life skills acquisition.		
Output (Volume):		
Total Number of Non-Texas School for the Deaf Students Enrolled in Summer Programs	70	75
B.1.3. Strategy: TECHNOLOGY OUTREACH	\$ 235,983	\$ 238,445
Provide distance learning, videoconferencing and technology consultation and training to students, professionals, families, local school districts, Regional Day School Programs for the Deaf (RDSPDs), and other agencies.		
Output (Volume):		
Number of Participants in Distance Learning Activities	250	300
Number of Participants in Video-conferencing Events	1,500	2,000
Total, Goal B: OUTREACH AND RESOURCE SERVICES	\$ 640,844	\$ 644,225

C. Goal: EDUCATIONAL PROF SALARY INCREASES
Educational professional salary increases.

C.1.1. Strategy: EDUC PROF SALARY INCREASES	\$ 227,784	\$ 470,829
Provide for payment of salary increases for educational professionals equal to the increases granted to employees employed in comparable positions in the Austin Independent School District. Estimated.		

SCHOOL FOR THE DEAF
(Continued)

D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 1,072,448	\$ 1,073,752
D.1.2. Strategy: OTHER SUPPORT SERVICES	<u>\$ 2,573,036</u>	<u>\$ 2,583,746</u>
Total, Goal D: INDIRECT ADMINISTRATION	<u>\$ 3,645,484</u>	<u>\$ 3,657,498</u>
Grand Total, SCHOOL FOR THE DEAF	<u><u>\$ 25,855,039</u></u>	<u><u>\$ 18,997,559</u></u>

Method of Financing:		
General Revenue Fund	\$ 15,593,180	\$ 15,841,700
Federal Funds	788,048	767,048
<u>Other Funds</u>		
Appropriated Receipts	2,368,788	2,368,788
Interagency Contracts	20,023	20,023
Bond Proceeds - General Obligation Bonds	7,085,000	0
Subtotal, Other Funds	<u>\$ 9,473,811</u>	<u>\$ 2,388,811</u>
Total, Method of Financing	<u><u>\$ 25,855,039</u></u>	<u><u>\$ 18,997,559</u></u>

Number of Full-Time-Equivalent Positions (FTE):	473.7	473.7
Number of FTEs in Riders:	2.0	2.0

Schedule of Exempt Positions:		
Superintendent, Group 3	\$84,000	\$84,000

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

	<u>2002</u>	<u>2003</u>
a. Construction of Buildings and Facilities		
(1) Construction of Buildings and Facilities		
to Complete the Texas School for the Deaf		
Master Plan Building Program	4,100,000	0
(2) Permanent Health Center	<u>\$ 2,710,000</u>	<u>\$ 0</u>
Total, Construction of Buildings and		
Facilities	<u>\$ 6,810,000</u>	<u>\$ 0</u>
b. Repair or Rehabilitation of Buildings and Facilities		
(1) Connect Auditorium Heating, Ventilation		
and Cooling System to the Central Power		
Plant	\$ 250,000	\$ 0
c. Acquisition of Information Resource Technologies		
(1) Acquisition of Information Resources		
Technologies to Upgrade and Replace		
Hardware and Software	\$ 130,000	\$ 130,000

SCHOOL FOR THE DEAF
(Continued)

d. Transportation Items			
(1) Acquisition of School Buses and Vans to Provide Student Transportation	\$	75,000	\$ 75,000
e. Acquisition of Capital Equipment and Items			
(1) Acquisition of Capital Equipment Items to Upgrade and Replace Capital Equipment Items in the Recreational Program		46,782	0
(2) Acquisition of Capital Equipment Items for a Comprehensive School Safety Program	\$	<u>25,000</u>	\$ <u>0</u>
Total, Acquisition of Capital Equipment and Items	\$	<u>71,782</u>	\$ <u>0</u>
Total, Capital Budget	\$	<u><u>7,336,782</u></u>	\$ <u><u>205,000</u></u>

Method of Financing (Capital Budget):

General Revenue Fund	\$	251,782	\$ 205,000
Bond Proceeds - General Obligation Bonds		<u>7,085,000</u>	<u>0</u>
Total, Method of Financing	\$	<u><u>7,336,782</u></u>	\$ <u><u>205,000</u></u>

2. **Educational Professional Salary Increases.** The funds appropriated in Strategy C.1.1, Educational Professional Salary Increases, are estimated General Revenue and are contingent upon the increases granted to comparable educational professionals in the Austin Independent School District. No later than November 1 of each year of the biennium, the Texas School for the Deaf shall submit, in a form acceptable to the Legislative Budget Board and the Governor, a computation of the salary increases. The school is directed to include in each year of the subsequent biennium baseline budget request the actual amount expended for salary increases in the second year of the previous biennium.
3. **Facility Construction Project.** It is the intent of the Legislature that the construction project at the Texas School for the Deaf’s South Congress location be completed by the end of fiscal year 2003, including closure of the east campus location and consolidation of all students and services at the South Congress location. It is the intent of the Legislature that construction projects be completed before renovation projects.
- Notwithstanding any other provision of this Act, the general obligation bond proceeds appropriated above for facilities construction and repair, \$7,085,000, may neither be carried forward nor expended in 2004. All of the funds associated with the facilities construction and repair projects are one-time only and shall not be considered in the calculation of TSD’s base 2002–03 expenditures for the 2004–05 biennium.
- It is also the intent of the Legislature that TSD complete the construction project under the guidance and oversight of the General Services Commission.
4. **Classification of Residential Staff.** It is the intent of the Legislature that residential staff at the Texas School for the Deaf (including the “house parent” positions) shall be classified and compensated according to the Residential Specialist series as delineated in Article IX of this Act. Staff currently classified under the Correctional Officer series shall be reclassified by the Texas School for the Deaf under the Resident Specialist series.
5. **Telecommunication Infrastructure Fund Grant.** It is the intent of the Legislature that the Texas School for the Deaf apply for a grant from the Telecommunications Infrastructure Fund Board for funds to be used for technology outreach, teacher training in technology, and

SCHOOL FOR THE DEAF

(Continued)

infrastructure expansion within the TSD campus. Contingent on award of such funds, TSD's FTE cap is hereby increased by two FTEs per year.

The Texas School for the Deaf shall to the extent possible use available teleconferencing and other distance learning facilities at the Texas Education Agency and at Regional Educational Service Centers to provide technology outreach services.

SPECIAL PROVISIONS FOR THE TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED AND TEXAS SCHOOL FOR THE DEAF

1. **Services to Employees.** The governing boards may expend money for the provision of first aid or other minor medical attention for employees injured in the course and scope of their employment and for the repair and/or replacement of employees' items of personal property which are damaged or destroyed in the course and scope of their employment, so long as such items are medically prescribed equipment (e.g., eyeglasses, hearing aids, etc.).
2. **Emoluments.** The Superintendent is authorized to determine emoluments for certain positions provided that the provision of such emoluments is necessary to effectively carry out the job responsibilities of the position.
3. **Appropriation of Funds.** With respect to the following funds held outside the State Treasury, any balances remaining at the end of the fiscal years ending August 31, 2001 and 2002, plus all receipts deposited to each fund's credit and income received on the fund during the biennium, are appropriated for the continued purpose for which the fund was established subject to the approval of the respective governing board: the Expendable Trust Fund; the Student Trust Fund; the Student Activity Fund; and the Student Aid Fund.

With respect to the following funds held within the State Treasury, any balances remaining at the end of the fiscal years ending August 31, 2001 and 2002, plus all receipts deposited to each fund's credit and income received on the fund during the biennium, are appropriated for the continued purpose for which the fund was established: Vocational Programs Fund; Technology Lending Fund; Curriculum Publications Fund; Independent School District Fund; State and County Available Fund and other funds brought into the State Treasury under Texas Government Code, Chapter 404.

Funds received from sale of food and garbage and from the use of facilities of the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf by organizations and other entities, including the Recording for the Blind, Inc., and any daycare center provider using the facilities, are appropriated for the use of the respective school subject to the approval of the governing board.

4. **Use of Facilities.** The respective governing boards of the Texas School for the Blind and Visually Impaired and Texas School for the Deaf may allow organizations related to the schools the use of the facilities of the physical plant; provided that said sessions do not interfere with the regular operations of the schools.
5. **Petty Cash Fund.** The Texas School for the Blind and Visually Impaired and Texas School for the Deaf may establish a petty cash fund not to exceed \$5,000 for each school out of the funds appropriated herein. These funds shall be maintained in cash or at a local bank and shall be used only for making emergency payments and small purchases and payments which will increase the efficiency of the operation, payments to client workers on a regular pay-day basis, and for

**SPECIAL PROVISIONS FOR THE TEXAS SCHOOL FOR THE BLIND
AND VISUALLY IMPAIRED AND TEXAS SCHOOL FOR THE DEAF**
(Continued)

use as a change fund in the cashier's office, canteen, and other specific locations where financial activities of the Schools require a change fund. Purchases and payments from this fund are limited to \$200 per item.

- 6. **Assessments for LEAs.** For any assessments on students from Local Education Agencies, the Texas School for the Blind and Visually Impaired and Texas School for the Deaf shall make a reasonable charge for these services to the Local Education Agencies. A reasonable effort to collect for the assessments will be made by the schools.

- 7. **Certification and Appropriation of Medicaid Reimbursement.** The Texas School for the Blind and Visually Impaired and the Texas School for the Deaf shall certify and/or transfer appropriated state funds to the Health and Human Services Commission or its designee for the state share of any Medicaid reimbursement for services provided to eligible students. The federal share of such reimbursement is appropriated to each respective school.

- 8. **Payments by School Districts.** All revenues collected from local school districts in excess of the funds appropriated above are hereby appropriated to the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf, respectively.

- 9. **Contingency Appropriation for House Joint Resolution 97 and House Bill 3064.**
Contingent on approval of HJR 97 or similar legislation by the Seventy-seventh Legislature, Regular Session and Texas voters in November 2001, and adoption of HB 3064 or similar legislation by the Seventy-seventh Legislature, Regular Session:
 - a. the funds appropriated above to the Texas School for the Blind and Visually Impaired include \$5,134,000 in 2003 in general obligation bond proceeds for campus construction and renovation projects; and

 - b. the funds appropriated above to the Texas School for the Deaf include \$7,085,000 for the biennium ending August 31, 2003, in general obligation bond proceeds for campus construction and renovation projects.

TELECOMMUNICATIONS INFRASTRUCTURE FUND BOARD

	For the Years Ending	
	August 31, 2002	August 31, 2003
Out of the Telecommunications Infrastructure Fund No. 345:		
A. Goal: PROVIDE GRANTS AND LOANS		
The Board will develop and provide grant programs for elementary and secondary school campuses, institutions of higher education, public and not-for-profit healthcare facilities, academic health science centers, and public libraries for purposes consistent with our legislative mandate.		
Outcome (Results/Impact):		
Percent of All Elementary and Secondary School Campuses Provided with Distance Learning Technologies through TIF Board Grants	15%	20%
Percent of All Elementary and Secondary School Campuses and Qualifying Entities Participating in TIF Board-funded Collaborative Efforts and Community Networks	10%	20%

TELECOMMUNICATIONS INFRASTRUCTURE FUND BOARD
(Continued)

A.1.1. Strategy: GRANTS & LOANS K-12	\$	105,000,000	\$	105,000,000
Provide grant programs to public schools that will allow the advancement of technology across institutional boundaries in order to ensure that elementary and secondary school campuses work together to develop beneficial partnerships through technology.				
Output (Volume):				
Number of Grants and Loans Awarded		1,500		1,500
Number of Grants and Loans Awarded to Rural Elementary and Secondary School Campuses		250		500
Number of Grants and Loans Provided to Elementary and Secondary School Campuses with 50% or More At-risk Students		500		500
A.1.2. Strategy: GRANTS - QUALIFYING ENTITIES	\$	<u>92,070,304</u>	\$	<u>92,804,975</u>
Provide grant programs to public schools and qualifying entities that will allow the advancement of technology across institutional boundaries in order to ensure that elementary and secondary school campuses, libraries, public and not-for-profit healthcare facilities, academic health science centers, and institutions of higher education work together to develop beneficial partnerships through technology.				
Output (Volume):				
Number of Grants and Loans Awarded		1,125		1,125
Number of Grants and Loans Provided to Institutions in Rural Areas		507		507
Total, Goal A: PROVIDE GRANTS AND LOANS	\$	<u>197,070,304</u>	\$	<u>197,804,975</u>
B. Goal: GRANT IMPLEMENTATION				
The Board will administer grant and loan programs in a manner which ensures the most effective, efficient, and objective process for establishing a world-class telecommunications infrastructure that benefits all Texas.				
Outcome (Results/Impact):				
Percent of Grantees Achieving Acceptable Level of Compliance through TIF Board Monitoring Efforts		80%		85%
B.1.1. Strategy: GRANT IMPLEMENTATION	\$	2,036,110	\$	1,284,870
Implement and administer grant and loan process.				
Output (Volume):				
Number of Grant and Loan Requests Processed		2,625		2,625
C. Goal: INDIRECT ADMINISTRATION				
C.1.1. Strategy: INDIRECT ADMINISTRATION	\$	893,586	\$	910,155
Grand Total, TELECOMMUNICATIONS INFRASTRUCTURE FUND BOARD				
	\$	<u><u>200,000,000</u></u>	\$	<u><u>200,000,000</u></u>
Number of Full-Time-Equivalent Positions (FTE):				
		23.0		23.0
Number of FTEs in Riders:		3.0		6.0
Schedule of Exempt Positions:				
Executive Director, Group 5		\$104,000		\$104,000

TELECOMMUNICATIONS INFRASTRUCTURE FUND BOARD
(Continued)

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	<u>2002</u>	<u>2003</u>
Out of the Telecommunications Infrastructure Fund No. 345:		
a. Acquisition of Information Resource Technologies		
(1) Workstation Replacement	25,000	34,000
(2) TIFBase/QA Module Maintenance	<u>\$ 75,000</u>	<u>\$ 75,000</u>
Total, Acquisition of Information Resource Technologies	<u>\$ 100,000</u>	<u>\$ 109,000</u>
Total, Capital Budget	<u><u>\$ 100,000</u></u>	<u><u>\$ 109,000</u></u>

2. **Limit on Transferability.** None of the funds appropriated above in Goal A, Provide Grants and Loans, may be transferred into either Goal B, Grant Implementation or Goal C, Indirect Administration without the prior approval of the Legislative Budget Board and the Governor. Such transfers may not exceed \$1 million for the biennium.
3. **Unexpended Balances.** All unexpended balances in fiscal year 2002 in Goal A are hereby appropriated for the same purposes in fiscal year 2003.
4. **Appropriation of Additional Revenue.** Upon approval of the Legislative Budget Board and the Governor, the Telecommunications Infrastructure Fund Board is hereby appropriated revenue collected into Fund 345 above amounts estimated in the Comptroller's Biennial Revenue Estimate. These funds may only be used to provide grants and loans to qualifying entities as delineated in the Public Utility Regulation Act of 1995.
5. **Notification Requirements.** The Telecommunications Infrastructure Fund Board shall provide, on a bi-monthly basis, expenditure reports to the Legislative Budget Board and to the Governor. These reports shall include expenditure activity from all strategies, including grant and loan award amounts, and administrative expenses. The reports shall include actual cash expenditures and encumbrances. The Telecommunications Infrastructure Fund Board also shall provide, on a quarterly basis, status reports on all active professional services and consulting contracts.
6. **Staff for and Review of Grant Monitoring.** It is the intent of the Legislature that the Telecommunications Infrastructure Fund Board move its grant monitoring activities fully in-house. Contingent upon the Board action to accomplish this move, the Board's FTE cap is hereby increased by three FTEs in fiscal year 2002 and by six FTEs in fiscal year 2003. The additional staff positions shall be used to conduct grant monitoring.

The Board also shall work with the State Auditor's Office to periodically review and evaluate its grant monitoring activities to determine their appropriateness and effectiveness.

- * 7. **Contingency Appropriation: Senate Bill 1783.** Contingent upon the enactment of Senate Bill 1783, Seventy-seventh Legislature, Regular Session, if available revenue in the Telecommunications Infrastructure Fund (TIF) in the 2002-03 biennium is less than the sum of appropriations from the TIF contained in this Act, the Telecommunications Infrastructure Fund Board's appropriations for the 2002-03 biennium shall be reduced by the difference.

*See Veto Proclamation.

TEACHER RETIREMENT SYSTEM

	For the Years Ending	
	August 31, 2002	August 31, 2003
A. Goal: TEACHER RETIREMENT SYSTEM		
To administer the system as an employee benefit trust.		
Outcome (Results/Impact):		
TRS Annual Operating Expense Per Active and Retired Member	25.2	25.2
Percent of TRS-Care Participants Rating TRS-Care Services as Satisfactory or Better	95%	95%
A.1.1. Strategy: TRS - PUBLIC EDUCATION RETIREMENT		
Make retirement contributions to the TRS pension fund for public education employees and maintain the actuarial soundness of the system, with a funding period under 30.9 years. Estimated.	\$ 1,019,797,097	\$ 1,060,551,220
A.1.2. Strategy: TRS - HIGHER EDUCATION RETIREMENT		
Make retirement contributions to the TRS pension fund for higher education employees and maintain the actuarial soundness of the system, with a funding period under 30.9 years. Estimated.	\$ 207,435,226	\$ 215,732,635
A.1.3. Strategy: ADMINISTRATIVE OPERATIONS		
Provide services to members, manage investments, and administer TRS retirement fund.	\$ 35,484,000	\$ 35,884,000
Output (Volume):		
Number of TRS Benefit Applications Processed	73,000	78,000
Efficiencies:		
Percent of TRS Retirees Who Receive Their First Annuity within 31 Days of Their Effective Retirement Date	98%	98%
Average Customer Hold Time for Calls Received on Toll-free Number (in Minutes)	5	3
A.2.1. Strategy: TRS-HEALTH		
Provide group insurance benefits to retired public school employees by monitoring the performance of contracted benefit providers, communicating insurance plan features, and resolving benefit disputes. Estimated.	\$ 381,035,657	\$ 267,912,922
Output (Volume):		
Dollar Amount of Participating Network Savings	116,540,000	125,860,000
Efficiencies:		
Percent of Claims Adjudicated within 14 Days of Receipt	95%	95%
A.3.1. Strategy: ACTIVE EMPLOYEE PROGRAM		
Design and implement health insurance program for active school district employees	\$ 3,000,000	\$ 692,461,000
Total, Goal A: TEACHER RETIREMENT SYSTEM		
	\$ 1,646,751,980	\$ 2,272,541,777
Grand Total, TEACHER RETIREMENT SYSTEM		
	\$ 1,646,751,980	\$ 2,272,541,777
Method of Financing:		
General Revenue Fund	\$ 1,563,736,496	\$ 2,185,399,294
GR Dedicated - Estimated Other Educational and General Income Account No. 770	46,587,484	50,314,483
Teacher Retirement System Trust Account Fund No. 960	36,428,000	36,828,000
Total, Method of Financing	\$ 1,646,751,980	\$ 2,272,541,777

*Modified per changes in House Bill 3343.

**Added per changes in House Bill 3343.

***Modified Method of Financing.

TEACHER RETIREMENT SYSTEM
(Continued)

* Number of Full-Time-Equivalent Positions (FTE):	448.0	448.0
Schedule of Exempt Positions:		
Executive Director	\$165,360	\$165,360
Chief Investment Officer	300,000	300,000
Investment Fund Director	(4) 160,008	(4) 160,008
Supplemental Appropriations Made in Riders:	\$ 22,000,000	\$ 0

1. **Capital Budget.** None of the funds appropriated above for Strategy A.1.3, Administrative Operations, may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes.

	2002	2003
Out of the Teacher Retirement System Trust Account Fund No. 960:		
a. Repair or Rehabilitation of Buildings and Facilities		
(1) Building Renovations	144,200	108,000
(2) A/C Cooling Tower	180,000	0
(3) Energy Management System	30,000	8,000
(4) Fire Alarm System Replacement	\$ 200,000	\$ 0
Total, Repair or Rehabilitation of Buildings and Facilities	\$ 554,200	\$ 116,000
b. Acquisition of Information Resource Technologies		
(1) Imaging System Upgrade	170,000	70,000
(2) DASD Upgrade	0	250,000
(3) Mainframe and Peripheral Upgrades	202,000	108,000
(4) PC Workstation Upgrades	300,500	255,000
(5) Telecommunications Upgrade	897,500	687,500
(6) SANS - Storage Area Network	200,000	50,000
(7) Legislation-Related Pension System Modifications	0	500,000
(8) Investment Software Upgrades	\$ 500,000	\$ 0
Total, Acquisition of Information Resource Technologies	\$ 2,270,000	\$ 1,920,500
c. Acquisition of Capital Equipment and Items		
(1) Furniture & Modular Workstations	66,500	0
(2) Emergency Power Generator	\$ 130,000	\$ 0
Total, Acquisition of Capital Equipment and Items	\$ 196,500	\$ 0
Total, Capital Budget	\$ 3,020,700	\$ 2,036,500

2. **Updated Actuarial Valuation.** The Teacher Retirement System shall contract with an actuary to perform a limited actuarial valuation of the assets and liabilities of the Teacher Retirement System as of February 28 in those years when the Legislature meets in regular session. The purpose of the valuation shall be to determine the effect of investment, salary, and payroll experience on the unfunded liability, the amortization period, and the state contribution rate which results in a 30-year amortization period of the retirement system.
3. **State Contribution to Teacher Retirement Program.** The amounts specified above in A.1.1, TRS-Public Education Retirement, and A.1.2, TRS-Higher Education Retirement, are based on a state contribution of 6.00 percent of payroll for each fiscal year, estimated.

*Modified per changes in House Bill 3343.

TEACHER RETIREMENT SYSTEM

(Continued)

4. **State Contribution to Texas Public School Retired Employees Group Insurance Program.** Of the amounts specified above in A.2.1, TRS-Health, \$95,520,621 in fiscal year 2002 and \$101,251,859 in fiscal year 2003 are based on a state contribution rate of 0.50 percent of payroll for each fiscal year, estimated. Also included in the appropriation is a sum certain amount of \$285,515,036 in fiscal year 2002 and \$166,661,063 in fiscal year 2003.
5. **Excess Benefit Arrangement Account.** There is hereby appropriated to the Teacher Retirement System all funds transferred or deposited into the Excess Benefit Arrangement Account established in the General Revenue Fund for the purpose of paying benefits as authorized by VTCA, Government Code § 825.517.
6. **Transfer of Other Educational and General Income.** The Comptroller of Public Accounts is hereby authorized to transfer the necessary appropriations made above in A.1.2, TRS-Higher Education Retirement, from Other Educational and General Income to institutions of higher education to meet their obligations and comply with the proportionality policy as expressed in the Article IX provision entitled Salaries to be Proportional by Fund.
7. **Exempt Positions.** Notwithstanding the limitations contained in the Article IX provision entitled Scheduled Exempt Positions, the TRS Board of Trustees may determine the salaries of the positions listed above in the Schedule of Exempt Positions without limitation.
8. **Travel Expenditures.** Notwithstanding the limitations on travel expenditures contained in Article IX of this Act, the annual travel cap for the Teacher Retirement System is hereby set at \$425,000 for each year of the biennium. The additional authority is provided to allow TRS' investment professionals greater personal access to financial centers, investment experts, and investor information.
9. **Contingency Appropriation for School Employee Health Insurance Program.** Contingent upon passage of HB3343, SJR52, or other legislation relating to health care benefit programs for active and retired school district employees, the amounts appropriated to the Teacher Retirement System in Strategy A.1.1, TRS - Public Education Retirement, and Strategy A.2.1, TRS - Health, shall be reallocated by the Legislative Budget Board according to the provisions of that legislation. In addition, all revenues remaining from the annual fee paid by active school district employees in fiscal years 1994–1997 and deposited into the Retired School Employees Group Insurance Trust Fund, estimated to be \$22 million, are hereby appropriated to the Teacher Retirement System in fiscal year 2002 for costs incurred in the design and implementation of an active school district employee health insurance program.

Funds provided herein may be used for providing health care programs to active and retired school district employees, including administrative costs. To the extent authorized by the legislation, the Number of Full-Time Equivalent Positions shall be increased in order to implement the provisions of the legislation. In addition, the Teacher Retirement System is hereby authorized to exceed authorized capital budget amounts to the extent necessary to implement a health insurance program for active school district employees. The Legislative Budget Board shall make appropriate technical adjustments to all necessary strategies, measures and riders to implement and reflect the provisions of the legislation, including appropriate interagency transfers.

OPTIONAL RETIREMENT PROGRAM

	For the Years Ending	
	August 31, 2002	August 31, 2003
A. Goal: OPTIONAL RETIREMENT PROGRAM		
Provide contributions to the Optional Retirement Program as administered by the Higher Education Coordinating Board.		
A.1.1. Strategy: OPTIONAL RETIREMENT PROGRAM	\$ 106,043,261	\$ 111,345,424
Provide an Optional Retirement Program for faculty and certain administrative staff at public institutions of higher education.		
Estimated.		
Output (Volume):		
Number of ORP Participants	38,279	38,662
Grand Total, OPTIONAL RETIREMENT PROGRAM	<u>\$ 106,043,261</u>	<u>\$ 111,345,424</u>
Method of Financing:		
General Revenue Fund	\$ 94,802,675	\$ 99,542,809
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>11,240,586</u>	<u>11,802,615</u>
Total, Method of Financing	<u>\$ 106,043,261</u>	<u>\$ 111,345,424</u>
1. State Contribution to Optional Retirement Program. The amount specified above in A.1.1, Optional Retirement Program, is based on a state contribution rate of 6.0 percent of payroll for each fiscal year, estimated. Institutions of higher education and the Texas Education Agency, if applicable, are required to certify estimates of state contributions required for payment to the Comptroller, and the Comptroller shall allocate the state contributions to institutions and the Texas Education Agency pursuant to VTCA, Government Code § 830.202.		
2. Use of Local Funds for Supplementing the General Revenue Appropriation to the Optional Retirement Program. Institutions and agencies authorized under state law to provide the Optional Retirement Program to their employees are authorized to use local funds or other sources of funds to supplement the General Revenue Fund appropriation in order to provide the same employer contribution during the 2002–03 biennium, for employees who were on the state payroll or who were employed by a Public Community or Junior College as of August 31, 1995, as they received during the 1994–95 biennium.		
3. Transfer of Other Educational and General Income. The Comptroller of Public Accounts is hereby authorized to transfer the necessary appropriations made above from Other Educational and General Income to institutions of higher education to meet their obligations and comply with the proportionality policy as expressed in Article IX of this Act.		

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS

	For the Years Ending	
	August 31,	August 31,
	2002	2003
Out of the General Revenue Fund:		
A. Goal: GROUP INSURANCE, STATE CONTRIBUTION		
Group Insurance, State Contributions.		
A.1.1. Strategy: UT - ARLINGTON The University of Texas at Arlington.	\$ 8,350,762	\$ 9,387,927
A.1.2. Strategy: UT - AUSTIN The University of Texas at Austin.	\$ 26,647,869	\$ 29,957,534
A.1.3. Strategy: UT - DALLAS The University of Texas at Dallas.	\$ 4,246,048	\$ 4,773,407
A.1.4. Strategy: UT - EL PASO The University of Texas at El Paso.	\$ 7,004,692	\$ 7,874,675
A.1.5. Strategy: UT - PAN AMERICAN The University of Texas - Pan American.	\$ 3,840,702	\$ 4,317,717
A.1.6. Strategy: UT - BROWNSVILLE The University of Texas at Brownsville.	\$ 823,199	\$ 925,440
A.1.7. Strategy: UT - PERMIAN BASIN The University of Texas of the Permian Basin.	\$ 895,248	\$ 1,006,438
A.1.8. Strategy: UT - SAN ANTONIO The University of Texas at San Antonio.	\$ 5,676,691	\$ 6,381,736
A.1.9. Strategy: UT - TYLER The University of Texas at Tyler.	\$ 1,953,076	\$ 2,195,648
A.1.10. Strategy: UT SW MEDICAL - DALLAS The University of Texas Southwestern Medical Center at Dallas.	\$ 7,852,801	\$ 8,828,119
A.1.11. Strategy: UT MEDICAL - GALVESTON The University of Texas Medical Branch at Galveston.	\$ 35,376,190	\$ 39,769,913
A.1.12. Strategy: UTHSC - HOUSTON The University of Texas Health Science Center at Houston.	\$ 9,816,603	\$ 11,035,825
A.1.13. Strategy: UTHSC - SAN ANTONIO The University of Texas Health Science Center at San Antonio.	\$ 11,721,448	\$ 13,177,252
A.1.14. Strategy: UT MD ANDERSON The University of Texas M. D. Anderson Cancer Center.	\$ 9,524,119	\$ 10,707,015
A.1.15. Strategy: UT HEALTH CENTER - TYLER The University of Texas Health Center at Tyler.	\$ 3,077,420	\$ 3,459,636
A.1.16. Strategy: TEXAS SOUTHMOST (UT) Texas Southmost College (UT Share).	\$ 1,438,404	\$ 1,617,054
A.1.17. Strategy: UT SYSTEM ADMINISTRATION The University of Texas System Administration.	\$ 33,017	\$ 37,118
A.1.18. Strategy: TEXAS A&M UNIVERSITY	\$ 28,560,500	\$ 32,107,714
A.1.19. Strategy: A&M SYSTEM HEALTH SCIENCE CENTER Texas A&M University System Health Science Center.	\$ 2,721,665	\$ 3,059,696

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS
(Continued)

A.1.20. Strategy: A&M - GALVESTON Texas A&M University at Galveston.	\$	942,248	\$	1,059,275
A.1.21. Strategy: PRAIRIE VIEW A&M Prairie View A&M University.	\$	2,711,435	\$	3,048,195
A.1.22. Strategy: TARLETON STATE UNIVERSITY	\$	2,698,677	\$	3,033,853
A.1.23. Strategy: A&M - CORPUS CHRISTI Texas A&M University - Corpus Christi.	\$	2,866,693	\$	3,222,736
A.1.24. Strategy: A&M - KINGSVILLE Texas A&M University - Kingsville.	\$	3,246,836	\$	3,650,093
A.1.25. Strategy: A&M - INTERNATIONAL Texas A&M International University.	\$	1,473,621	\$	1,656,645
A.1.26. Strategy: WEST TEXAS A&M West Texas A&M University.	\$	2,850,439	\$	3,204,464
A.1.27. Strategy: TEXAS A&M UNIVERSITY - COMMERCE	\$	3,714,968	\$	4,176,367
A.1.28. Strategy: TEXAS A&M UNIVERSITY - TEXARKANA	\$	525,535	\$	590,806
A.1.29. Strategy: AG EXPERIMENT STATION Texas Agricultural Experiment Station.	\$	6,376,587	\$	7,168,559
A.1.30. Strategy: AG EXTENSION SERVICE Texas Agricultural Extension Service.	\$	7,974,437	\$	8,964,862
A.1.31. Strategy: ENG EXPERIMENT STATION Texas Engineering Experiment Station.	\$	1,590,438	\$	1,787,970
A.1.32. Strategy: TRANSPORTATION INSTITUTE Texas Transportation Institute.	\$	322,781	\$	362,870
A.1.33. Strategy: ENG EXTENSION SERVICE Texas Engineering Extension Service.	\$	346,244	\$	389,248
A.1.34. Strategy: TEXAS FOREST SERVICE	\$	1,978,516	\$	2,224,248
A.1.35. Strategy: WILDLIFE DAMAGE MANAGEMENT SERVICE	\$	602,401	\$	677,219
A.1.36. Strategy: VET MEDICAL DIAGNOSTIC LAB Texas Veterinary Medical Diagnostic Laboratory.	\$	339,767	\$	381,967
A.1.37. Strategy: TEXAS FOOD & FIBERS COMM Texas Food and Fibers Commission.	\$	19,110	\$	21,483
A.1.38. Strategy: A&M SYSTEM ADMINISTRATION Texas A&M University System Administration.	\$	21,554	\$	24,231
A.2.1. Strategy: UNIVERSITY OF HOUSTON	\$	12,658,928	\$	14,231,167
A.2.2. Strategy: UH - CLEAR LAKE University of Houston - Clear Lake.	\$	1,912,416	\$	2,149,938
A.2.3. Strategy: UH - DOWNTOWN University of Houston - Downtown.	\$	1,528,285	\$	1,718,098
A.2.4. Strategy: UH - VICTORIA University of Houston - Victoria.	\$	585,749	\$	658,499
A.2.5. Strategy: UH SYSTEM ADMINISTRATION The University of Houston System Administration.	\$	378,837	\$	425,889
A.2.6. Strategy: LAMAR UNIVERSITY-BEAUMONT Lamar University - Beaumont.	\$	3,964,980	\$	4,457,431
A.2.7. Strategy: LUIT Lamar University Institute of Technology.	\$	424,104	\$	476,778
A.2.8. Strategy: LAMAR UNIVERSITY - ORANGE	\$	505,220	\$	567,968
A.2.9. Strategy: LAMAR UNIV - PORT ARTHUR Lamar University - Port Arthur.	\$	723,187	\$	813,007
A.2.10. Strategy: ANGELO STATE UNIVERSITY	\$	2,334,495	\$	2,624,439

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS
(Continued)

A.2.11. Strategy: SAM HOUSTON STATE UNIV Sam Houston State University.	\$	4,358,161	\$	4,899,445
A.2.12. Strategy: SOUTHWEST TX STATE UNIV Southwest Texas State University.	\$	7,316,598	\$	8,225,319
A.2.13. Strategy: SUL ROSS STATE UNIVERSITY	\$	1,407,402	\$	1,582,201
A.2.14. Strategy: SUL ROSS STATE-RIO GRANDE COLLEGE Sul Ross State University - Rio Grande College.	\$	224,947	\$	252,885
A.2.15. Strategy: TEXAS STATE SYSTEM ADMIN Texas State University System Administration.	\$	63,258	\$	71,114
A.2.16. Strategy: MIDWESTERN STATE UNIV Midwestern State University.	\$	1,927,736	\$	2,167,161
A.2.17. Strategy: UNIVERSITY OF NORTH TEXAS	\$	10,519,621	\$	11,826,158
A.2.18. Strategy: UNT HEALTH SCIENCE CENTER University of North Texas Health Science Center at Fort Worth.	\$	3,101,452	\$	3,486,652
A.2.19. Strategy: STEPHEN F. AUSTIN Stephen F. Austin State University.	\$	4,724,962	\$	5,311,802
A.2.20. Strategy: TEXAS SOUTHERN UNIVERSITY	\$	3,255,185	\$	3,659,479
A.2.21. Strategy: TEXAS TECH UNIVERSITY	\$	15,482,366	\$	17,405,276
A.2.22. Strategy: TEXAS TECH HEALTH SCI CTR Texas Tech University Health Sciences Center.	\$	10,659,312	\$	11,983,199
A.2.23. Strategy: TEXAS WOMAN'S UNIVERSITY	\$	4,769,063	\$	5,361,381
A.2.24. Strategy: TSTC - HARLINGEN Texas State Technical College - Harlingen.	\$	1,419,117	\$	1,595,371
A.2.25. Strategy: TSTC - WEST TEXAS Texas State Technical College - West Texas.	\$	779,985	\$	876,859
A.2.26. Strategy: TSTC - WACO Texas State Technical College - Waco.	\$	2,088,012	\$	2,347,343
A.2.27. Strategy: TSTC - MARSHALL Texas State Technical College - Marshall.	\$	296,471	\$	333,293
A.2.28. Strategy: TSTC - SYSTEM ADMIN Texas State Technical College System Administration.	\$	2,198,293	\$	2,471,321
A.2.29. Strategy: PUB COMMUNITY/JR COLLEGES Public Community/Junior Colleges.	\$	<u>119,275,774</u>	\$	<u>134,089,827</u>
 Total, Goal A: GROUP INSURANCE, STATE CONTRIBUTION	\$	<u>429,046,657</u>	\$	<u>482,334,255</u>
 Grand Total, HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS	\$	<u><u>429,046,657</u></u>	\$	<u><u>482,334,255</u></u>

1. **State Contribution to Group Insurance for Higher Education Employees Participating in the Employees Retirement System Group Insurance Program.**
Funds identified above for group insurance are intended to fund:
- a. the total cost of the basic life and health coverage for all active and retired employees; and
 - b. fifty percent of the total cost of health coverage for the spouses and dependent children of all active and retired employees who enroll in coverage categories which include a spouse and/or dependent children.

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS

(Continued)

In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

General Revenue funds appropriated herein shall be supplemented by funds appropriated elsewhere in this Act for employees enrolled in the State Kids Insurance Program (SKIP) to provide for a premium-sharing structure comparable to the Children's Health Insurance Program (CHIP). Institutions of higher education paying for health insurance costs from non-General Revenue funds shall provide the same levels of premium-sharing for SKIP enrollees as provided for those higher education employees with health insurance paid from General Revenue funds.

Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

It is further provided that institutions shall cooperate so that employees employed by more than one institution may be covered under one group policy and that said policy may be held jointly by two or more institutions and paid from funds appropriated to the institutions for payment of employee insurance premiums as set out above.

2. **The University of Texas System Group Health Insurance Contributions.** Funds identified above for group insurance are intended to fund the same portion of the costs of basic health coverage for all active and retired employees and their dependents as is provided above for higher education active and retired employees and dependents participating in the Employees Retirement System's Uniform Group Insurance Program.

In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

The University of Texas System shall file a report with the Legislative Budget Board, the Governor's Office of Budget and Planning, and the Comptroller by September 1 of each year, detailing all group health insurance plans to be offered system employees and retirees, the benefit schedule, premium amounts, and employee/retiree contributions.

Active and retired employees of The University of Texas System are authorized to use one-half of the "employee-only" state contribution amount, for optional insurance. Optional insurance for the employees participating in the group insurance program shall be defined by The University of Texas System. Active and retired employees that participate in these plans may only use one-half of the employee-only state contribution if they sign and submit a document to their employing institution indicating that they have health insurance coverage from another source.

3. **Texas A&M System Group Health Insurance Contributions.** Funds identified above for group insurance are intended to fund the same portion of the costs of basic health coverage for all active and retired employees and their dependents as is provided above for higher education active and retired employees and dependents participating in the Employees Retirement System's Uniform Group Insurance Program.

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS

(Continued)

In no event shall the total amount of state contributions allocated to fund coverage in an optional health plan exceed the actuarially determined total amount of state contributions that would be required to fund basic health coverage for those active employees and retirees who have elected to participate in that optional health plan.

Funds appropriated for higher education employees' group insurance contributions may not be used for any other purpose.

The Texas A&M System shall file a report with the Legislative Budget Board, the Governor's Office of Budget and Planning, and the Comptroller by September 1 of each year, detailing all group health insurance plans to be offered system employees and retirees, the benefit schedule, premium amounts, and employee/retiree contributions.

Active and retired employees of the Texas A&M System are authorized to use one-half of the "employee-only" state contribution amount, for optional insurance. Optional insurance for the employees participating in the group insurance program shall be defined by the Texas A&M System. Active and retired employees that participate in these plans may only use one-half of the employee-only state contribution if they sign and submit a document to their employing institution indicating that they have health insurance coverage from another source.

4. **Transfer Authority.** Out of the funds appropriated above:
 - a. The Comptroller shall transfer monthly, 1/12 of the amount appropriated from those institutions participating in the Employees Retirement System's Uniform Group Insurance Program to the Employees Life, Accident, and Health Insurance and Benefits Fund No. 973, for use by the Employees Retirement System for each higher education institution which participates in the group insurance program of the Employees Retirement System.
 - b. The Comptroller shall transfer monthly, 1/12 of the amount appropriated from state contributions for institutions belonging to the University of Texas and Texas A&M Systems, to The University of Texas System Office and the Texas A&M University System Office, for use by each institution's group insurance program.
5. **Specification of Appropriations.** The amount of the appropriation made for Strategy A.2.29, Public Community/Junior Colleges, shall be allocated to each college in accordance with a report, specifying the exact amounts for each college, to be provided by the Legislative Budget Board to the Employees Retirement System.
6. **Appropriations Transfers.**
 - a. Funds appropriated above to institutions other than those belonging to the University of Texas System or the Texas A&M University System, may be transferred from one appropriation item to another at the discretion of the chief administrative officer of the Employees Retirement System for the purpose of applying appropriations in excess of actual general revenue group insurance premium costs at any of the higher education institutions named above to appropriation shortfalls for general revenue group insurance premiums at any of the higher education institutions named above. Funds appropriated above to components of the University of Texas System and the Texas A&M University System may be transferred from one component to another component within the same system at the discretion of the chief administrative officer of each system for the same purposes stated above.

HIGHER EDUCATION EMPLOYEES GROUP INSURANCE CONTRIBUTIONS
(Continued)

- b. The Employees Retirement System, the University of Texas System, and the Texas A&M University System shall file a report with the Legislative Budget Board, the Governor’s Office of Budget and Planning, and the Comptroller by December 1 of each year, detailing any such transfers.
- c. Out of the funds appropriated above in Strategy A.1.11, The University of Texas Medical Branch at Galveston, \$3,690,433 in fiscal year 2002 and \$4,148,785 in fiscal year 2003 is for the purpose of paying general revenue group insurance premiums for correctional managed health care employees. Out of the funds appropriated above in Strategy A.2.22, Texas Tech University Health Sciences Center, \$3,490,934 in fiscal year 2002 and \$3,924,508 in fiscal year 2003 is for the purpose of paying general revenue group insurance premiums for employees paid from managed health care contracts associated with Texas Youth Commission and Texas Department of Criminal Justice. Except for the transfer authority provided above in Subsection a, these amounts are sum certain.

HIGHER EDUCATION COORDINATING BOARD*

		For the Years Ending	
		August 31, 2002	August 31, 2003
A. Goal: COORDINATE HIGHER EDUCATION			
Coordinate higher education in Texas and promote quality and access in all aspects of higher education.			
Outcome (Results/Impact):			
Percentage of Community College Technical Programs Evaluated		25%	25%
Retention Rate of Students Completing Required			
Developmental Education		88.5%	88.5%
**	A.1.1. Strategy: INFORMATION AND PLANNING	\$ 7,277,964**	\$ 1,842,714
Plan for higher education and provide information on higher education.			
Output (Volume):			
Number of Studies on Higher Education Conducted		26	26
A.1.2. Strategy: UNIVERSITY PROGRAMS		\$ 1,097,456	\$ 1,097,456
Coordinate and evaluate university programs.			
Explanatory:			
Percentage of Students Completing TASP Required			
Developmental Education within Two Semesters or less		60%	60%
Percentage of University Students Graduating within Six Years		49.2%	49.2%
A.1.3. Strategy: COMMUNITY/TECHNICAL PROGRAMS		\$ 574,109	\$ 574,109
Coordinate and evaluate community and technical college programs.			
Output (Volume):			
Number of Proprietary and Community and Technical College Programs Reviewed		1,800	1,800
Explanatory:			
Percentage of Students Completing TASP-required			
Developmental Education within Two Semesters or less		37%	37%
A.1.4. Strategy: HEALTH PROGRAMS		\$ 283,066	\$ 283,066
Coordinate and evaluate health programs.			
Output (Volume):			
Number of Health-related Programs and Administrative Changes Reviewed		65	65
A.1.5. Strategy: ADMINISTER RESEARCH PROGRAMS		\$ 273,940	\$ 273,940
Administer and evaluate research programs.			

*See also House Bill 1333.
**Modified per House Bill 2879.

(Continued)

Dollars of Additional Funding Received as a Result of
Advanced Technology Program or Advanced Research Program
Funding (in Thousands)

\$ 1,067,269 \$ 1,067,269

244 270

\$ <u>310,324</u>	\$ <u>310,324</u>
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54% 54%

7.1% 7.1%

87% 87%

May 20, 2001

HIGHER EDUCATION COORDINATING BOARD
(Continued)

Percentage of Students Completing First Year of College in a Texas Institution of Higher Learning Without Being Required to Take Developmental Courses	82%	82%
Pass Rate of Education EXCET Exam at Centers for Teacher Education	70%	70%
C.1.1. Strategy: PHYSICIAN'S EDUCATION LOAN PROGRAM Physician's Education Loan Repayment Program.	\$ 979,362	\$ 979,362
C.1.2. Strategy: TUITION EQUALIZATION GRANT PROGRAM Tuition Equalization Grants (TEG) Program.	\$ 82,200,337	\$ 82,200,337
Output (Volume):		
Number of Students Receiving Grants	31,000	31,000
Average Award	2,650	2,650
Retention Rate of TEG Recipients after One Academic Year	60%	60%
Percentage of TEG Recipients Who Earn a Baccalaureate Degree within Six Academic Years	50%	50%
Percentage of TEG Recipients Who Are Minority Students	40%	40%
C.1.3. Strategy: TEXAS NEW HORIZONS SCHOLARSHIP FUND	\$ 1,506,990	\$ 1,506,990
C.1.4. Strategy: TEXAS COLLEGE WORK STUDY PROGRAM	\$ 1,911,219	\$ 1,911,219
Output (Volume):		
Number of Students Employed	3,250	3,250
C.1.5. Strategy: STUDENT INCENTIVE GRANT PROGRAM	\$ 1,433,414	\$ 1,433,414
C.1.6. Strategy: TEXAS ACADEMIC SKILLS PROGRAM	\$ 98,720	\$ 98,720
C.1.7. Strategy: PROFESSIONAL NURSING AID	\$ 405,893	\$ 405,893
Financial aid for professional nursing students.		
C.1.8. Strategy: VOCATIONAL NURSING AID	\$ 77,635	\$ 77,635
Financial aid for licensed vocational nursing students.		
C.1.9. Strategy: LICENSE PLATE SCHOLARSHIPS	\$ 63,000	\$ 63,000
C.1.10. Strategy: FAMILY PRACTICE REPAYMENT PROGRAM	\$ 493,600	\$ 493,600
Family Practice Residency Education Loan Repayment Program.		
C.1.11. Strategy: TUITION ASSISTANCE GRANTS	\$ 5,148,080	\$ 5,148,080
C.1.12. Strategy: NATIONAL GUARD ROTC PROGRAM	\$ 40,000	\$ 0
C.1.13. Strategy: FIFTH-YEAR ACCOUNTING STUDENTS	\$ 660,158	\$ 660,158
C.1.14. Strategy: EARLY HS GRADUATION PROGRAM	\$ 2,300,000	\$ 2,300,000
Early High School Graduation Scholarship Program.		
C.1.15. Strategy: TANF SCHOLARSHIP PROGRAM	\$ 225,000	\$ 225,000
Temporary Assistance for Needy Families Scholarship Program.		
C.1.16. Strategy: CERTIFIED EDUCATIONAL AIDE PROGRAM	\$ 2,000,000	\$ 2,000,000
C.1.17. Strategy: TEXAS GRANT PROGRAM	\$ 147,670,000	\$ 147,670,000
Toward, EXcellence, Access, and Success (TEXAS) Grant Program.		
Output (Volume):		
Number of Students Receiving Awards	44,844	60,879
Retention Rate of TEXAS Grant Recipients after One Academic Year - Public Universities	90%	90%
Retention Rate of TEXAS Grant Recipients after One Academic Year - Public Community and Junior Colleges	80%	80%
Retention Rate of TEXAS Grant Recipients after One Academic Year - Public Technical Colleges	72%	72%

HIGHER EDUCATION COORDINATING BOARD
(Continued)

	Percentage of TEXAS Grant Recipients Who Earn a Baccalaureate Degree within Six Academic Years	60%	60%
	Percentage of TEXAS Grant-eligible High School Graduates Who Receive a TEXAS Grant upon Enrollment in a Higher Education Institution	85%	85%
*	C.1.18. Strategy: TEACH FOR TEXAS CONDITIONAL GRANTS	\$ 13,000,000*	\$ 2,000,000
	Teach for Texas Conditional Grant Program.		
	Output (Volume):		
*	Number of Students Receiving Awards	750	1,835
	C.1.19. Strategy: CHILD-CARE WORKER LOAN REPAY Early childhood child-care worker student loan repayment program.	\$ 373,825	\$ 373,825
	C.1.20. Strategy: STATE MILITARY TUITION ASSISTANCE	\$ 2,000,000	\$ 2,000,000
	State military forces tuition payment assistance.		
	C.1.21. Strategy: DENTIST'S EDUCATION LOAN PROGRAM	\$ 117,747	\$ 117,747
	Dentist's Education Loan Repayment Program.		
	C.1.22. Strategy: BORDER FACULTY LOAN REPAYMENT PROG	\$ 50,000	\$ 50,000
	Border Faculty Loan Repayment Program.		
	C.2.1. Strategy: BAYLOR COLLEGE OF MEDICINE Output (Volume):	\$ 39,046,816	\$ 39,046,816
	Average Amount Per Student	68,744	68,744
	C.2.2. Strategy: FAMILY PRACTICE RESIDENCY PROGRAM	\$ 10,532,253	\$ 10,532,253
	Output (Volume):		
	Number of Residents Supported	730	730
	Average Funding Per Resident	13,750	13,750
	C.2.3. Strategy: RESIDENT PHYSICIANS COMPENSATION	\$ 4,035,119	\$ 4,035,119
	Resident Physicians Compensation Program.		
	Output (Volume):		
	Number of Residents Supported	1,180	1,180
	C.2.4. Strategy: FAMILY PRACTICE PILOT PROJECTS	\$ 987,200	\$ 987,200
	C.2.5. Strategy: PRECEPTORSHIP PROGRAM	\$ 1,000,000	\$ 1,000,000
	Output (Volume):		
	Number of Medical Students Participating in the Internal Medicine Statewide Preceptorship Program	190	195
	Number of Medical Students Participating in the Statewide Pediatric Preceptorship Program	185	190
	C.2.6. Strategy: PRIMARY CARE RESIDENCY PROGRAM	\$ 3,084,730	\$ 3,084,730
	C.2.7. Strategy: GRADUATE MEDICAL EDUCATION	\$ 8,000,000	\$ 8,000,000
	C.2.8. Strategy: CHIROPRACTIC COLLEGES	\$ 250,000	\$ 250,000
**	C.2.9. Strategy: JOINT ADMISSION MEDICAL PROGRAM	\$ 4,000,000	\$ UB
	C.3.1. Strategy: ADVANCED RESEARCH PROGRAM	\$ 19,604,927	\$ UB
	Output (Volume):		
	Number of Research Projects Funded	175	0
	C.3.2. Strategy: ADVANCED TECHNOLOGY PROGRAM	\$ 39,268,727	\$ UB
	Output (Volume):		
	Number of Research Projects Funded	240	0
	C.4.1. Strategy: SOUTHERN REGIONAL EDUCATION COMPACT	\$ 157,000	\$ 159,500
	C.4.2. Strategy: DEVELOPMENTAL EDUCATION PROGRAM	\$ 5,106,849	\$ 5,756,849
	Explanatory:		
	Dollars Spent from All Sources on Developmental Education	96,500,000	96,500,000
	C.4.3. Strategy: STARLINK	\$ 350,000	\$ 350,000
	C.4.4. Strategy: TEACHER EDUCATION Centers for Teacher Education.	\$ 3,875,000	\$ 3,875,000

*Modified per House Bill 2879.
**Added per House Bill 2879.

HIGHER EDUCATION COORDINATING BOARD
(Continued)

Output (Volume):		
Number of Students Enrolled in Educator Preparation Programs	200	200
Number of Graduates of Educator Preparation Programs	75	75
C.4.5. Strategy: TWO-YEAR ENROLLMENT GROWTH Two-year Institution Enrollment Growth.	\$ 5,000,000	\$ 5,000,000
C.4.6. Strategy: GENERAL ACADEMIC DEVELOPMENTAL ED General Academic Developmental Education Accountability Pilot Program.	\$ 150,000	\$ UB
C.4.7. Strategy: COMMUNITY/TECH DEVELOPMENTAL ED Community and Technical College Developmental Education Accountability Pilot Program.	\$ 500,000	\$ UB
C.4.8. Strategy: RETENTION PERFORMANCE FUND Economically Disadvantaged Freshman Retention Performance Fund Pilot Program.	\$ 250,000	\$ 250,000
C.4.9. Strategy: GENERAL ACADEMIC ENROLLMENT GROWTH General Academic Institution Enrollment Growth.	\$ 5,574,094	\$ 5,574,094
C.4.10. Strategy: HEALTH-RELATED NURSING GROWTH Health-related Institution Nursing Enrollment Growth.	\$ 723,719	\$ 723,719
C.4.11. Strategy: NEW CAMPUS - WHARTON JUNIOR COLLEGE New Campus Funding at Wharton Junior College.	\$ 1,900,000	\$ UB
C.4.12. Strategy: AFRICAN AMERICAN MUSEUM INTERNSHIP African American Museum Professional Internship.	\$ 50,000	\$ 50,000
* Total, Goal C: PROVIDE TRUSTEED FUNDS	\$ 416,201,414*	\$ 340,390,260
D. Goal: FEDERAL GRANT PROGRAMS Provide federal funding to institutions and students to improve higher education in Texas.		
D.1.1. Strategy: STUDENT FINANCIAL AID Student financial assistance programs.	\$ 6,203,617	\$ 6,203,617
D.1.2. Strategy: TECHNICAL/VOCATIONAL PROGRAMS Technical-vocational education programs.	\$ 41,686,624	\$ 41,686,624
D.1.3. Strategy: MATHEMATICS AND SCIENCE PROGRAMS	\$ 4,260,237	\$ 4,260,237
Total, Goal D: FEDERAL GRANT PROGRAMS	\$ 52,150,478	\$ 52,150,478
E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: CENTRAL ADMINISTRATION	\$ 1,670,693	\$ 1,670,693
E.1.2. Strategy: INFORMATION RESOURCES	\$ 2,687,967	\$ 2,687,967
E.1.3. Strategy: OTHER SUPPORT SERVICES	\$ 2,125,658	\$ 2,134,658
Total, Goal E: INDIRECT ADMINISTRATION	\$ 6,484,318	\$ 6,493,318
* Grand Total, HIGHER EDUCATION COORDINATING BOARD	\$ 489,782,188*	\$ 408,544,784

*Modified per House Bill 2879.

HIGHER EDUCATION COORDINATING BOARD
(Continued)

Method of Financing:		
<u>General Revenue Fund</u>		
* General Revenue Fund	\$ 421,774,792*	\$ 340,972,638
Earned Federal Funds, estimated	490,000	490,000
* Subtotal, General Revenue Fund	<u>\$ 422,264,792*</u>	<u>\$ 341,462,638</u>
 <u>General Revenue Fund - Dedicated</u>		
Scholarship Fund for Fifth Year Accounting Students Account		
No. 106	710,158	710,158
Medical School Tuition Set Aside Account No. 542, estimated	700,000	700,000
Texas Collegiate License Plate Program Account No. 5015,		
estimated	50,000	50,000
Houston Livestock Show and Rodeo Scholarships Fund Account		
No. 5034, estimated	3,000	3,000
Girl Scout License Plates Account No. 5052, estimated	10,000	10,000
Subtotal, General Revenue Fund - Dedicated	<u>\$ 1,473,158</u>	<u>\$ 1,473,158</u>
<u>Federal Funds</u>	52,150,478	52,150,478
 <u>Other Funds</u>		
Telecommunications Infrastructure Fund No. 345	827,500	392,250
Appropriated Receipts (Matching Grants), estimated	855,000	855,000
Certificate of Authority Fees, estimated	18,000	18,000
Interagency Contracts	373,825	373,825
Student Loan Funds, estimated	7,096,888	7,096,888
Tax Reimbursement Grants, estimated	60,000	60,000
Certification and Proprietary School Fees, estimated	137,547	137,547
Interagency Contracts - Transfers from Foundation School Fund		
No. 193, estimated	4,525,000	4,525,000
Subtotal, Other Funds	<u>\$ 13,893,760</u>	<u>\$ 13,458,510</u>
* Total, Method of Financing	<u><u>\$ 489,782,188*</u></u>	<u><u>\$ 408,544,784</u></u>
Number of Full-Time-Equivalent Positions (FTE):	283.0	283.0
Schedule of Exempt Positions:		
Commissioner of Higher Education, Group 6	\$150,000	\$150,000
Supplemental Appropriations Made in Riders:	\$ 7,851,000	\$ 5,000,000

1. **Capital Budget.** None of the funds appropriated above may be expended for capital budget items except as listed below. The amounts shown below shall be expended only for the purposes shown and are not available for expenditure for other purposes. Amounts appropriated above and identified in this provision as appropriations either for "Lease payments to the Master Lease Purchase Program" or for items with an "(MLPP)" notation shall be expended only for the purpose of making lease-purchase payments to the Texas Public Finance Authority pursuant to the provisions of Government Code § 1232.103.

*Modified per House Bill 2879.

HIGHER EDUCATION COORDINATING BOARD
(Continued)

	<u>2002</u>	<u>2003</u>
a. Acquisition of Information Resource Technologies		
(1) PC Workstation Hardware	182,690	182,690
(2) Telecommunications Hardware	90,000	90,000
(3) Software	50,000	50,000
(4) Information Access Initiative	<u>\$ 85,000</u>	<u>\$ 0</u>
 Total, Acquisition of Information Resource Technologies	 <u>\$ 407,690</u>	 <u>\$ 322,690</u>
 Total, Capital Budget	 <u><u>\$ 407,690</u></u>	 <u><u>\$ 322,690</u></u>
 Method of Financing (Capital Budget):		
General Revenue Fund	\$ 322,690	\$ 322,690
Telecommunications Infrastructure Fund No. 345	<u>85,000</u>	<u>0</u>
 Total, Method of Financing	 <u><u>\$ 407,690</u></u>	 <u><u>\$ 322,690</u></u>
 2. Commissioner's Salary. The Coordinating Board is hereby authorized to utilize \$77,851 per year from general revenue funds appropriated to Goal E, in 2002 and 2003 and any earned funds including federal funds received under 20 USC 1087-1 as a lender of Hinson-Hazlewood Student Loans, for the purpose of funding the salary of the Commissioner of Higher Education at a rate NTE \$150,000 per year in 2002 and 2003.		
 3. Use of Excess Registration Fees Authorization. Any registration fee collected by the Coordinating Board to pay the expenses of a conference, seminar or meeting in excess of the actual costs of such conference, seminar or meeting may be used to pay the expenses of any other conference, seminar or meeting for which no registration fees were collected or for which registration fees collected were insufficient to cover the total expenses.		
 4. Student Loan Program. All moneys in the Texas Opportunity Plan Fund and the Texas College Student Loan Bonds Interest and Sinking Fund, the Student Loan Auxiliary Fund, and the Student Loan Revenue Fund are hereby appropriated to the Texas Higher Education Coordinating Board, for the purposes specified in Article III, §§ 50b and 50b-1, 50b-2, 50b-3, 50b-4, and 50b-5 of the Texas Constitution and VTCA, Education Code §§ 52.01-52.90 and 56.121-56.135.		
 5. Federal Lenders Allowance. In accordance with the provisions of VTCA, Education Code § 52.17(e), it is the intent of the Legislature that the Coordinating Board shall expend to the maximum extent possible, Federal Lenders Special Allowance revenue (Earned Federal Funds) for the support of programs authorized to use this funding source in § 52.17(e).		
 6. Physician's Education Loan Repayment Program. The funds provided to Strategy C.1.1, Physician's Education Loan Repayment Program, are appropriated in accordance with VTCA, Education Code §§ 61.531 - 61.539 for repayment of eligible student loans received by a physician who meets the stipulated requirements. All balances in the General Revenue Fund-Dedicated-Medical School Tuition Set Aside Account as of August 31, 2001, and all Medical School Tuition Set Aside receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, 2003, for the same purpose.		
 7. Texas Public Educational Grants Program. Unless a different percentage is set by passage of legislation amending the Texas Education Code, it is the intent of the Legislature that the amount of tuition to be set aside for the Texas Public Educational Grants Program shall be 15 percent in fiscal years 2002 and 2003.		

HIGHER EDUCATION COORDINATING BOARD

(Continued)

8. **License Plate Scholarship Program.**

- a. Texas Collegiate License Plate Scholarships. In addition to amounts appropriated above, available balances on hand at August 31, 2001, and the portion of fees deposited into the state treasury during the biennium ending August 31, 2003, to the credit of the Texas Higher Education Coordinating Board, Strategy C.1.9, License Plate Scholarships, as provided by VTCA, Transportation Code § 502.270, are appropriated for that period to the board for the purpose of providing scholarships for students who demonstrate a need for financial assistance. The board shall allocate the appropriation made by this provision to students at a particular college or university in proportion to the ratio that the amount deposited to the credit of the Texas Higher Education Coordinating Board from fees for license plates bearing the name and insignia of the particular college or university bears to the total amount deposited.
- b. Houston Livestock Show and Rodeo Scholarships. In addition to amounts appropriated above, available balances on hand at August 31, 2001 (estimated to be \$22,000), and the portion of fees deposited into the state treasury during the biennium ending August 31, 2003, to the credit of the Texas Higher Education Coordinating Board, Strategy C.1.9, License Plate Scholarships, as provided by VTCA, Transportation Code § 502.293, are appropriated for that period to the board for the purpose of making grants to benefit the Houston Livestock Show and Rodeo. It is the intent of the Legislature that these funds be used for the purposes of providing financial assistance to students selected according to criteria developed by the Houston Livestock Show and Rodeo as approved by the Coordinating Board.
- c. Girl Scout Scholarships. In addition to amounts appropriated above, available balances on hand at August 31, 2001, and the portion of fees deposited into the state treasury during the biennium ending August 31, 2003, to the credit of the Texas Higher Education Coordinating Board, Strategy C.1.9, License Plate Scholarships, as provided by VTCA, Transportation Code § 502.2931, are appropriated for that period to the board for the purpose of making grants to benefit the Girl Scouts. It is the intent of the Legislature that these funds be used for the purposes of providing financial assistance to students selected according to criteria developed by the Girl Scouts as approved by the Coordinating Board.

9. **Baylor College of Medicine.** From funds appropriated by this Act for the Baylor College of Medicine, the Coordinating Board shall allocate an amount per student enrolled in the college equal to the cost of medical education in the established public medical schools cited in Subchapter D, Chapter 61, Education Code. The cost of medical education per student at public medical schools as determined by the Coordinating Board shall include General Revenue appropriations for instruction and operations, infrastructure, and staff benefits allocated to undergraduate medical education.

10. **Research Programs.** The appropriations made by this Act for the Advanced Research Program and the Advanced Technology Program shall be distributed in accordance with the provisions of VTCA, Education Code, Chapters 142 and 143. However, no more than 70 percent of the funds allocated for each program shall be designated for The University of Texas and the Texas A&M University Systems in the 2002–03 biennium. Institutions receiving transfers of funds under these programs shall report to the Coordinating Board in accordance with the provisions of VTCA, Education Code § 142.005. Similarly, the Coordinating Board shall report to the Governor and the Legislative Budget Board. Funds appropriated to the Advanced Research Program and the Advanced Technology Program in House Bill 1, Seventy-sixth Legislature, for the 2000–01 biennium are hereby appropriated for the same purposes for the 2002–03 biennium (estimated to be \$885,000). Funds allocated for both research programs are exempt from General Services Commission rules and regulations.

HIGHER EDUCATION COORDINATING BOARD

(Continued)

11. **Texas Academic Skills Program.**

- a. Developmental Education Programs. Funds appropriated for developmental programs under VTCA, Education Code § 51.306, shall be expended only for those costs associated with the operation of the developmental education program including instruction, tutorial, peer counseling, evaluation, retraining of faculty, and related costs for administration of the program. The funds shall not be used for the recruitment of students.
- b. Allocation Procedure for Developmental Education Program Performance Fund. The amount appropriated for the Developmental Education Performance Fund shall be allocated by the Coordinating Board to public institutions of higher education. The allocation to each institution for each fiscal year shall be based on the number of students who successfully complete developmental education during the previous fiscal year. For purposes of this rider, a student who “successfully completes developmental education” is a student who does not meet basic state education standards for college-level work, as defined by the Coordinating Board, who undertakes a developmental education program and who subsequently demonstrates college readiness, as defined by the Coordinating Board, within two years. It is the intent of the Legislature that the sum of \$1,000 be allocated for each student who successfully completes developmental education. In the event that the amount appropriated for the Developmental Education Performance Fund is insufficient to provide this allocation, a proportional allocation shall be made.
- c. TASP Test Fee Waivers. Funds appropriated for Strategy C.1.6, Texas Academic Skills Program, shall be expended by the Coordinating Board for providing test fee waivers for needy students.
- d. Intent Concerning Developmental Needs. It is the intent of the Legislature that all affected institutions of public higher education fully address developmental needs identified by the Texas Academic Skills Program with appropriations made in this Act for the Developmental Education Program and other institutional funds available.

12. **Residency Eligibility.** It is legislative intent that any student who is eligible for Texas resident tuition at a tax-supported institution is eligible for the Tuition Equalization Grants Program, provided all other requirements established by the Coordinating Board have been met by that student. None of the funds appropriated in this Act to the Coordinating Board for Tuition Equalization Grants may be expended for grants to non-resident students attending independent colleges or universities in Texas except for grants to National Merit Finalists.

13. **TEG Need Survey and Reporting Requirements.** The Coordinating Board shall present the result of its most recent annual need survey for Tuition Equalization Grant (TEG) funds as part of its biennial appropriations request to the Legislative Budget Board and the Governor's Office of Budget and Planning. The request shall include the number of eligible students and an estimate of the amount needed to fund fully the TEG program in the coming biennium. The Coordinating Board shall update this projection to include the most recent fall semester data prior to the convening of each regular session of the Legislature and shall provide this information to the Legislative Budget Board staff prior to Legislative Budget Board deliberations on the TEG appropriation. Each institution receiving tuition equalization grants shall furnish to the Coordinating Board any financial information requested.

14. **Annual Financial Aid Report.** The Coordinating Board shall present an annual report concerning financial aid need of students applying for financial aid at Texas public and independent institutions of higher education. This report shall be provided to the Legislative Budget Board by February 28 of each calendar year.

HIGHER EDUCATION COORDINATING BOARD

(Continued)

15. **Family Practice Rural and Public Health Rotations.** Funds appropriated above for Family Practice Residency Programs, include up to \$363,000 in 2002 and \$363,000 in 2003 for one month rural rotation or one month public health rotation for family practice residents in accordance with the provision of VTCA, Education Code § 51.918.
16. **Internal Auditor Required.** From funds appropriated above in Goal E, the Coordinating Board shall employ at least one full-time internal auditor.
17. **Minority Doctoral Incentive Program.** Out of funds appropriated to the Minority Doctoral Incentive Program in House Bill 1, Seventy-sixth Legislature, for the biennium ending August 31, 2001, \$150,000 is hereby appropriated for the biennium ending August 31, 2003.
18. **Earned Federal Funds.** All unexpended balances of Earned Federal Funds remaining as of August 31, 2001 (estimated to be \$200,000), are hereby appropriated for the same purposes for use during the biennium beginning September 1, 2001. Any balances on hand at the end of fiscal year 2002 may be carried over to fiscal year 2003 and such funds are appropriated for fiscal year 2003. The authority to receive and expend earned federal fund balances in excess of those appropriated above is subject to the following limitation:

At least 14 days prior to any use of any earned federal funds the Coordinating Board shall report the earned federal funds received and provide documentation of the proposed use of these funds to the Legislative Budget Board and the Governor's Office of Budget and Planning.
19. **Family Practice Residency Advisory Committee.** Out of funds appropriated above, Strategy C.2.2, Family Practice Residency Program, in fiscal year 2002 and in fiscal year 2003, the Board shall make provision for reimbursement of travel expenses for members of the Advisory Committee as outlined in statute.
20. **Primary Care Residency Advisory Committee.** Out of funds appropriated above, Strategy C.2.6, Primary Care Residency Program, in fiscal year 2002 and in fiscal year 2003, the Board shall make provision for reimbursement of travel expenses for members of the Advisory Committee as outlined in statute.
21. **Dramatic Enrollment Growth Funding for Two Year Institutions.** Funds appropriated above in Strategy C.4.5, Two-Year Institution Enrollment Growth, are to be used only to assist Public Community/Junior Colleges, Texas State Technical College, and the Lamar State Colleges that experience dramatic rates of growth in contact hours during the 2002-03 biennium. Funds appropriated under this section shall be allocated according to a formula developed by the Texas Higher Education Coordinating Board based on the following criteria:
 - a. For fiscal year 2002, funding shall be provided for growth in contact hours at institutions which experience an increase in contact hours in RN professional nursing courses greater than 5 percent between Fall 2000 and Fall 2001 semesters. For fiscal year 2003, funding shall be provided for growth in contact hours at institutions which experience an increase in contact hours in RN professional nursing courses greater than 10 percent between Fall 2000 and Fall 2002 semesters. This subsection should be fully funded prior to providing funding under subsections (b) or (c).
 - b. For fiscal year 2002, funding shall be provided for growth in contact hours at institutions which experience an increase in total contact hours of greater than 10 percent between Fall 2000 and Fall 2001 semesters and are not included under subsection (a) above. For fiscal year 2003, funding shall be provided for growth in contact hours at institutions which experience an increase in total contact hours of greater than 20 percent between Fall 2000 and Fall 2002 semesters and are not included under subsection (a) above.

HIGHER EDUCATION COORDINATING BOARD

(Continued)

- c. For fiscal year 2002, funding shall be provided for growth in contact hours at institutions which experience an increase in total contact hours greater than 5 percent between the Fall 2000 and Fall 2001 semesters and are not included under subsections (a) or (b) above. For fiscal year 2003, funding shall be provided for growth in contact hours at institutions which experience an increase in total contact hours greater than 10 percent between Fall 2000 and Fall 2002 semesters and are not included under subsections (a) or (b) above. For funds allocated under this subsection, the Texas Higher Education Coordinating Board shall deduct the first 5 percent of contact hour growth for each eligible two-year institution.
22. **Graduate Medical Education.** Funds appropriated above in Strategy C.2.7, Graduate Medical Education, are for the purpose of supporting the educational costs of primary care graduate medical education programs. Each entity incurring the costs of faculty responsible for instruction or supervision of resident physicians in such accredited programs may receive funds in an amount not to exceed \$12,500 in each fiscal year for each filled residency position. For the purposes of this rider, primary care shall include family practice, obstetrics/gynecology, general internal medicine, and general pediatrics. The first \$8,000,000 in appropriated funds in any fiscal year shall be expended for eligible primary care residency positions. Appropriated funds in excess of \$8,000,000 in any fiscal year shall be expended for each residency position filled by a graduate of a school of medicine or osteopathy accredited by the Liaison Committee on Medical Education or the American Osteopathic Association such that a primary care position shall receive 1.2 times the amount received by any other residency position. The Higher Education Coordinating Board shall promulgate rules for the equitable distribution of these funds.
23. **Chiropractic Colleges.** Out of the funds appropriated above in Strategy C.2.8, Chiropractic Colleges, an amount of \$125,000 in each year of the biennium shall be contracted to Parker Chiropractic College and an amount of \$125,000 each year shall be contracted to Texas Chiropractic College for the purpose of preparation or instruction of Texas resident undergraduate chiropractic students as doctors of chiropractic.
24. **Teacher Education Centers.** Funds appropriated above in Strategy C.4.4, Centers for Teacher Education, are to be used for the purpose of supporting centers for teacher education at private, independent, general academic institutions that are component institutions of the Texas Association of Developing Colleges. Consideration shall be given to teacher education centers at Jarvis Christian College in Hawkins, Paul Quinn College in Dallas, Texas College in Tyler, Huston-Tillotson College in Austin, and Wiley College in Marshall. These funds may be used to enhance library resources and computer, science, and mathematics laboratories. The board may require periodic submission of data and reports as the board considers necessary to assess the overall performance of the centers. The board shall retain 2 percent of the appropriations made for the teacher education centers for the costs of on-site monitoring and distribution of funds. The board may use a portion of the amounts retained to obtain the services of a program planner to facilitate and coordinate the process of curriculum development and program redesign to improve teacher preparation at the participating institutions.
25. **General Academic Developmental Education Accountability Pilot Program.** The Higher Education Coordinating Board shall administer and coordinate the General Academic Developmental Education Accountability Pilot Program under the following guidelines.
 - a. The Coordinating Board shall select participating general academic institutions for the pilot program from among institutions that volunteer.
 - b. The Coordinating Board, in consultation with the Legislative Budget Board, will calculate allocations to this fund based on the following: for fiscal year 2002, the allocation for each participating institution will be equal to 15 percent of the developmental education formula funding generated by that institution in the semester credit hour formula appropriation for

HIGHER EDUCATION COORDINATING BOARD

(Continued)

fiscal year 2002; the allocation for fiscal year 2003 for each participating institution will be equal to 15 percent of the developmental education formula funding generated by that institution in the semester credit hour appropriation for fiscal year 2003. These funds shall be transferred from the formula funded strategies of the participating institutions to the Coordinating Board and are hereby appropriated to Strategy C.4.6, General Academic Developmental Education Performance Fund.

- c. Funds appropriated above in Strategy C.4.6, General Academic Developmental Education Accountability Pilot Program are to be allocated by the Coordinating Board to the institutions participating in the pilot program. The allocation to each institution for each fiscal year shall be based on the number of students who successfully complete developmental education during the previous fiscal year. A student who successfully completes developmental education is defined as a student who does not meet basic state education standards for college-level work, as defined by the Coordinating Board, who undertakes a developmental education program, and who subsequently demonstrates college readiness, as defined by the Coordinating Board, within two years. In allocating these funds, it is the intent of the Legislature that (a) performance funding should be allocated to individual institutions in such a way that remedying large deficiencies in college readiness will result in proportionately more funding than remedying minor deficiencies in college readiness; and (b) institutions that demonstrate an increase in performance do not experience a reduction in developmental education funding received through the pilot program.
- d. Not later than November 1, 2002, the Coordinating Board, in conjunction with the institutions participating in the pilot program, shall produce a report evaluating the effectiveness of the pilot program and making recommendations regarding its continuation. It is the intent of the Legislature that continuation of the program beyond August 31, 2003, be conditioned on demonstrated effectiveness in remedying deficiencies in college readiness.

26. **Community and Technical College Developmental Education Accountability Pilot Program.** The Higher Education Coordinating Board shall administer and coordinate the Community and Technical College Developmental Education Accountability Pilot Program under the following guidelines:

- a. The Coordinating Board shall select participating community and technical colleges from among institutions that volunteer.
- b. The Coordinating Board, in consultation with the Legislative Budget Board, will calculate allocations to this fund based on the following: for fiscal year 2002 the allocation for each participating community/technical college will be equal to 15 percent of the developmental education formula funding generated by that institution in the contact hour formula appropriation for fiscal year 2002; the allocation for fiscal year 2003 for each participating community/technical college will be equal to 15 percent of the developmental education formula funding generated by that institution in the contact hour appropriation for fiscal year 2003. These funds shall be transferred from the formula funded strategies of the participating community/technical colleges to the Coordinating Board and are hereby appropriated to Strategy C.4.7, Community and Technical College Developmental Education Performance Fund.
- c. Funds appropriated above in Strategy C.4.7, Community and Technical College Developmental Education Accountability Pilot Program are to be allocated by the Coordinating Board to the community and technical colleges participating in the pilot program. The allocation to each institution for each fiscal year shall be based on the improvements made in academic preparation of students who have previously been

HIGHER EDUCATION COORDINATING BOARD

(Continued)

evaluated as not meeting basic college readiness standards as defined by the Coordinating Board, and who have completed a developmental education program in the previous year. In allocating these funds, it is the intent of the Legislature that (a) performance funding should be allocated to individual institutions in such a way that the funding provided for individual students shall be proportional to the progress that has been made in remedying deficiencies in college readiness, as defined by the Coordinating Board; and (b) institutions that demonstrate increased performance do not experience a reduction in the developmental education funding received through the pilot program.

- d. Not later than November 1, 2002, the Coordinating Board, in conjunction with the institutions participating in the pilot program, shall produce a report evaluating the effectiveness of the pilot program and making recommendations regarding its continuation. It is the intent of the Legislature that continuation of the program beyond August 31, 2003, be conditioned on demonstrated effectiveness in remedying deficiencies in college readiness.
27. **Cost Recovery for the Common Application Form.** The Texas Higher Education Coordinating Board is hereby authorized to collect funds from each general academic institution to recover costs related to the electronic common application form. The amount collected from each institution shall be proportional to the number of applications received. The funds collected shall only recover direct costs and only be used for the purposes of the electronic common application form.
28. **Retention of Economically Disadvantaged Students.** The Higher Education Coordinating Board shall include in the annual performance report the percentage of economically disadvantaged freshmen retained at public institutions of higher education as defined by the Legislative Budget Board and the Governor's Office in consultation with the State Auditor's Office.
29. **Toward EXcellence, Access, and Success (TEXAS) Grant Program.**
 - a. Unexpended balances from funds appropriated to the Toward EXcellence, Access, and Success (TEXAS) Grant Program in House Bill 1, Seventy-sixth Legislature, for the 2000–01 biennium, including any excess amounts from the New Horizons Scholarship Program, Tuition Assistance Grants Program, and National Guard ROTC Program transferred into the TEXAS Grant Program remaining, are hereby appropriated for the same purposes for the 2002–03 biennium.
 - b. Of the funds appropriated above in Strategy C.1.17, Toward EXcellence, Access, and Success (TEXAS) Grant Program, and funds transferred into the TEXAS Grant Program as specified in subsection (a), any unexpended balances on hand at the end of fiscal year 2002 are hereby appropriated for the same purposes in fiscal year 2003.
 - c. It is the intent of the Legislature that the board plan the expenditure of new funding appropriated to the TEXAS Grant Program so that the program will not require an appropriation of greater than \$381 million, plus any unexpended balances carried forward, in the 2004–2005 biennium. Such implementation levels are projected to be \$120 million in fiscal year 2002 and \$162 million in fiscal year 2003.
30. **Economically Disadvantaged Student Retention Performance Fund.** The Texas Higher Education Coordinating Board shall distribute funding appropriated above in Strategy C.4.8, Economically Disadvantaged Student Retention Performance Fund, to general academic institutions based on increases in the retention of first-time, full-time economically disadvantaged undergraduates who make satisfactory academic progress. Only those institutions showing increases of at least 5 percent in both the number of economically disadvantaged students

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(Continued)

retained and the retention rate of those students shall be eligible for the fund. Allocations to eligible institutions shall be proportional to the number of first-time, full-time economically disadvantaged undergraduates retained for one academic year.

Not later than November 1, 2002, the Coordinating Board shall produce a report evaluating the effectiveness of the pilot program and making a recommendations regarding its continuation. It is the intent of the Legislature that continuation of the program beyond August 31, 2003, be conditioned on demonstrated effectiveness in increasing the retention of economically disadvantaged students.

31. **Disparity Study for Institutions of Higher Education.** The disparity study conducted by the Comptroller of Public Accounts pursuant to General Appropriations Act, § 16, page I-24, Seventy-fifth Legislature, to determine whether past acts of discrimination by institutions of higher education have created any present effects of such past discrimination may be continued by the Texas Higher Education Coordinating Board. The Coordinating Board may maintain and update as necessary the database developed for the disparity study. The Texas Education Agency and each institution of higher education receiving appropriations may cooperate with the Coordinating Board to continue the disparity study and to provide data to maintain and update the database. The Coordinating Board, the Texas Education Agency, and each institution of higher education that participates in the study shall comply with all applicable state and federal laws governing the confidentiality and privacy of the data used in the study.
32. **Teach for Texas Conditional Grant Program.**
 - a. Unexpended balances from funds appropriated to the Teach for Texas Conditional Grant Program in House Bill 1, Seventy-sixth Legislature, for the 2000–01 biennium are hereby appropriated for the same purposes for the 2002–03 biennium.
 - b. Of the funds appropriated above in Strategy C.1.18, Teach for Texas Conditional Grant Program, any unexpended balances on hand at the end of fiscal year 2002 are hereby appropriated for the same purposes in fiscal year 2003.
33. **Border Faculty Loan Repayment Program.**
 - a. In addition to funds appropriated above in Strategy C.1.22, Border Faculty Loan Repayment Program, the Higher Education Coordinating Board may allocate additional funds from Strategy C.1.17, TEXAS Grant Program, to the Border Faculty Loan Repayment Program.
 - b. Unexpended balances from funds appropriated to the Border Faculty Loan Repayment Program in House Bill 1, Seventy-sixth Legislature, for the 2000–01 biennium are hereby appropriated for the same purposes for the 2002–03 biennium.
 - c. Of the funds appropriated above in Strategy C.1.22, Border Faculty Loan Repayment Program, any unexpended balances on hand at the end of fiscal year 2002 are hereby appropriated for the same purposes in fiscal year 2003.
34. **Dentist's Education Loan Repayment Program.** The funds provided to Strategy C.1.21, Dentist's Education Loan Repayment Program, are appropriated in accordance with VTCA, Education Code §§ 61.901-61.910, for repayment of eligible student loans received by a dentist who meets the stipulated requirements. All balances in the General Revenue Fund Dental School Tuition Set Aside Account as of August 31, 2001, and all Dental School Tuition Set Aside receipts received during the biennium are hereby appropriated to the Coordinating Board for the biennium ending August 31, 2003, for the same purpose (estimated to be \$100,000).

HIGHER EDUCATION COORDINATING BOARD

(Continued)

35. **Informational Rider--Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, the Higher Education Coordinating Board and Baylor College of Medicine also receive appropriations in Article XII, Tobacco Settlement Receipts. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, §§ 63.002 (c), (d), and (f), estimated to be \$1,791,248 to Baylor College of Medicine in each year of the 2002–03 biennium; 63.102 (c), (d), and (f), estimated to be \$1,125,000 to Baylor College of Medicine in each year of the 2002–03 biennium; 63.202 (c) and (d), estimated to be \$2,025,000 to Higher Education Coordinating Board in each year of the 2002–03 biennium; and 63.302 (c) and (e), estimated to be \$1,125,000 to Higher Education Coordinating Board in each year of the 2002–03 biennium.
36. **Information Access Initiative.** The Higher Education Coordinating Board shall coordinate with the Texas Education Agency and the State Board for Educator Certification regarding sharing, integrating, and housing pre-kindergarten through grade 16 (P-16) public education data in implementing its Information Access Initiative. The three agencies shall work together to ensure that common and related data held by each agency is maintained in standardized, compatible formats to enable the efficient exchange of information between agencies and for matching of individual student records for longitudinally based studies and analysis. It is the intent of the Legislature that individual initiatives interact seamlessly across agency systems to facilitate efforts to integrate the relevant data from each agency into a longitudinal public education data resource to provide a widely accessible P-16 public education data warehouse.
37. **Enrollment Growth Funding for General Academic Institutions.** Funds appropriated above in Strategy C.4.9, General Academic Institution Enrollment Growth, are to be used only to assist public general academic institutions which experience dramatic rates of growth in weighted semester credit hours during the 2002–03 biennium. Funds appropriated under this section shall be allocated according to a formula developed by the Texas Higher Education Coordinating Board based on the following criteria:
- a. For fiscal year 2002, funding shall be provided for institutions which experience an increase in weighted semester credit hours in RN professional nursing courses greater than 3 percent between Fall 2000 and Fall 2001 semesters. For fiscal year 2003, funding shall be provided for growth in weighted semester credit hours in RN professional nursing courses greater than 6 percent between Fall 2000 and Fall 2002 semesters. This subsection should be fully funded prior to providing funding under subsection (b).
 - b. For fiscal year 2002, funding shall be provided for growth in weighted semester credit hours at institutions which experience an increase in total weighted semester credit hours greater than 3 percent between Fall 2000 and Fall 2001 semesters and are not included under subsection (a) above. For fiscal year 2003, funding shall be provided for growth in weighted semester credit hours at institutions which experience an increase in total weighted semester credit hours greater than 6 percent between Fall 2000 and Fall 2002 semesters and are not included under subsection (a) above. For funds allocated under this subsection, the Texas Higher Education Coordinating Board shall deduct the first 3 percent of weighted semester credit hour growth used to calculate subsection (a) for each eligible institution.
38. **Enrollment Growth Funding for Nursing Programs at Health-related Institutions.** Funds appropriated above in Strategy C.4.10, Health-related Institution Nursing Enrollment Growth, are to be used only to assist public health-related institutions which experience dramatic rates of growth in student full-time equivalents during the 2002–03 biennium. Funds appropriated under this section shall be allocated according to a formula developed by the Texas Higher Education Coordinating Board based on the following criteria:

HIGHER EDUCATION COORDINATING BOARD

(Continued)

For fiscal year 2002, funding shall be provided for health-related institutions which experience an increase in student full-time equivalents in RN professional nursing courses greater than 3 percent between Fall 2000 and Fall 2001 semesters. For fiscal year 2003, funding shall be provided for growth in student full-time equivalents in RN professional nursing courses greater than 6 percent between Fall 2000 and Fall 2002 semesters.

39. **Admission Referral System Pilot Program.** Out of funds appropriated above, the Higher Education Coordinating Board and its Common Application Committee shall design and implement a pilot program for a college admission referral system to be administered at no cost to students. The University of Texas at Austin will assist the Coordinating Board in developing the pilot program by providing the necessary modifications to the Common Application System. The pilot system should be designed to refer and facilitate the admission of students who have been denied admission to the institution of their first choice to other Texas public higher education institutions. In no way should the pilot program interfere with existing provisional admission programs already in place at higher education institutions. Participation by institutions in the pilot program shall be on a voluntary basis. The pilot program shall begin operation with the Fall 2002 semester.

The Coordinating Board, in conjunction with the institutions participating in the pilot program, shall produce a report evaluating the pilot program no later than December 31, 2002.

40. **Higher Education Assistance Pilot Program.** Out of funds appropriated above, the Higher Education Coordinating Board shall administer and coordinate the Higher Education Assistance Pilot Program to:
- a. Provide prospective students in three separate sites with low college enrollment rates with information related to enrollment in public or private or independent institutions of higher education, including admissions and financial aid information; and
 - b. Assist prospective students in these sites with completing applications related to enrollment in higher education institutions, including admissions and financial aid applications.

The Coordinating Board shall provide the information and assistance required at least twice each year, and it shall select an institution of higher education or other entity to provide the information and assistance required at each site served by the pilot program. In designing the pilot program, the Coordinating Board shall ensure that it is reproducible by other entities in cities and counties across the state to enable them to develop similar programs to increase admissions to higher education institutions. The pilot program shall begin operation with the Spring 2002 semester.

Not later than September 1, 2002, the Coordinating Board shall submit to the Legislature a report on the effectiveness of the pilot program, including recommendations on whether to implement the program on a statewide basis.

41. **Financial Aid Application Assistance.** The Higher Education Coordinating Board shall determine the feasibility of establishing an agreement with private tax preparation firms to assist college applicants in completing the federal financial aid application. If it is determined that such an agreement would be feasible, the Coordinating Board shall negotiate the agreement and implement a pilot program to assist college applicants in completing the federal financial aid application beginning with the Spring 2002 semester.

If the Coordinating Board enters into an agreement and begins a pilot program as described above, it shall produce a report evaluating the effectiveness of the pilot program no later than September 1, 2002.

HIGHER EDUCATION COORDINATING BOARD

(Continued)

42. **Data Exchange to Facilitate Financial Aid Eligibility Determination.** Out of funds appropriated above, the Higher Education Coordinating Board, with the help of the Department of Information Resources and the cooperation of any other relevant state agency, shall determine the extent to which data captured for other programs may be used to establish eligibility for student financial aid. Sharing of such data among agencies should facilitate the financial aid application process, reduce paperwork for applicants, and improve processing for financial aid offices while protecting the privacy rights of individuals.

The Coordinating Board shall report its findings to the Legislature no later than September 1, 2002, including any statutory changes necessary to allow and facilitate such data exchanges among agencies. If in the course of its study, the Coordinating Board finds that assistance or flexibility from the federal government would facilitate the sharing of information used to establish eligibility for student financial aid, it shall report such a finding to the Governor and Legislative Budget Board at the time of discovery.

43. **Graduate and Post Graduate Medical Education Task Force.** The Coordinating Board shall convene a task force consisting of representatives from each state-appropriated health science center and hospital, as well as selected representatives of hospitals and health care facilities that serve as teaching facilities with residency programs. The Commissioner shall appoint the members of the task force.

Each task force participant shall make available, for task force use only, their most recent audited financial statements and Medicare cost reports.

The task force shall analyze all funding streams, local, state, and federal, and any other sources of revenue, public or private, that support graduate and post-graduate medical education in the state of Texas.

The Coordinating Board may hire an independent consultant to assist in the gathering and interpretation of data and the construction of recommendations. The Coordinating Board may pay for that consultant out of funds which may be available from gifts, grants or donations, or from transfers which may be made from funds available to the entities represented on the task force. Such transfer amounts shall be proportional to the numbers of graduate and post-graduate medical students in each entity's respective programs.

The task force shall recommend, to the Seventy-eighth Legislature by September 1, 2002, funding priorities that preserve the long-term viability of graduate and post-graduate medical education in Texas by improving graduate and post-graduate medical education's service to Texas residents.

44. **P-16 Council.** It is the intent of the Legislature that the Higher Education Coordinating Board continue the activities and operation of the P-16 Council.

45. **Graduation and Persistence Rates.** The Coordinating Board shall report graduation and persistence rates, for each public general academic institution, to the Governor and Legislature no later than September 1, 2002. For each institution, the report shall include:

- a. Six-year graduation rate (same institution) - percent of students who earned a baccalaureate or higher degree at a public general academic higher education institution within six years of becoming a full-time student at that institution.
- b. Six-year graduation rate (another institution) - percent of students who earned a baccalaureate or higher degree at a public general academic higher education institution

HIGHER EDUCATION COORDINATING BOARD

(Continued)

within six years of becoming a full-time student at another public higher education institution.

- c. Six-year persistence rate (same institution) - percent of students who have not earned a baccalaureate or higher degree, but are still enrolled in the same Texas public general academic higher education institution six years after becoming a full-time student at that institution.
 - d. Six-year persistence rate (another institution) - percent of students who have not earned a baccalaureate or higher degree, but are still enrolled in a Texas public general academic higher education institution six years after becoming a full-time student at another Texas public higher education institution.
 - e. Composite graduation and persistence rate - Sum of the graduation and persistence rates in subsections (a) through (d) above.
46. **Strategic Plan for Teacher Certification.** Out of funds appropriated above, the Higher Education Coordinating Board shall develop a strategic plan to increase the number of certified teachers in the state as quickly as possible. The Coordinating Board shall collaborate with the Texas Education Agency, the State Board for Educator Certification, the Texas Workforce Commission, the Governor's Office, and the Legislature in development of the strategic plan.

In order to facilitate implementation of the strategic plan for teacher certification, the Coordinating Board shall work with the Texas Education Agency, the State Board for Educator Certification, school districts, professional educator associations, and any other entity it believes could aid in development of a teacher certification web page. The web page shall convey information on traditional and alternative certification programs and related employment opportunities in such a format that resources are linked and data is easily accessible and navigable to those interested in pursuing a career in teaching.

47. **Financial Aid Maximum for Students Attending Independent Colleges and Universities.** The total amount of financial aid a student is eligible to receive from a TEXAS Grant and the Tuition Equalization Grant is limited to the maximum amount of the Tuition Equalization Grant as determined by law. In no case shall higher tuition at a private institution make it possible for a student to receive more state grant aid than 50 percent of the average state appropriation for an FTE student at a state public institution in the previous biennium. Furthermore, in no case shall the total amount of financial aid from the TEXAS Grant and Tuition Equalization Grant a student is eligible to receive be interpreted as the total amount of tuition and required fees charged to a student for the semester of award at a private institution.

It is the intent of the Legislature that the state shall give priority in TEXAS Grant funding to students with the greatest financial need who attend public colleges and universities.

48. **Diversity at Independent Colleges and Universities Which Receive TEG.** Independent colleges and universities which enroll students receiving Tuition Equalization Grant funds appropriated by this Act shall provide annual reports to the Higher Education Coordinating Board regarding the diversity of their student body, faculty, executive committee, and board of regents. These reports shall be submitted by October 1 of each year.
49. **Formula Funding Study.** In its biennial review of funding formulas for the general academic institutions, the Higher Education Coordinating Board shall study the effects of the formula on institutions with fewer than 10,000 students and shall determine the adequacy of the formula for such institutions in comparison to institutions with larger student populations. The Coordinating Board shall report its finding to the Legislative Budget Board by September 1, 2002, with any recommendations for a small college and university formula funding method.

HIGHER EDUCATION COORDINATING BOARD

(Continued)

50. **Infrastructure Support for A&M Service Agencies.** The Higher Education Coordinating Board is directed to conduct a study regarding the development of an equitable mechanism to fund the Texas A&M University System Service Agencies' infrastructure costs for facilities located in areas other than Brazos County. The study may consider the mission of the agencies, other sources of funding available to the agencies, and any other appropriate factors.
51. **New Campus Funding at Wharton Junior College.** Funds appropriated above in Strategy C.4.11, New Campus Funding at Wharton Junior College, are to provide for the new campus at Wharton Junior College. Wharton Junior College shall apply to the Higher Education Coordinating Board for funding based on actual new contact hours generated during the 2002–03 biennium. To be eligible for this funding, enrollment at the new campus must result in a districtwide increase in contact hours. Wharton Junior College cannot be eligible for dramatic enrollment growth funds based on growth at the new campus.
52. **Distance Learning Consortium.** It is the intent of the Legislature that from the funds appropriated above in Strategy C.4.4, Centers for Teacher Education, the Higher Education Coordinating Board provide \$200,000 in fiscal year 2002 and \$200,000 in fiscal year 2003 to upgrade distance learning through Huston-Tillotson College.
- * 53. **Contingency for House Bill 125 - Developmental Education.** Contingent upon the enactment of House Bill 125, or similar legislation abolishing the Texas Academic Skills Program, institutions of higher education shall use the reading, writing, and mathematics components of the Texas Assessment of Academic Skills (TAAS) II test for the purposes of assessing skills of entering undergraduate students. The mathematics section of the TAAS II must include at least geometry, Algebra I, and components of Algebra II with the aid of technology.
54. **Contingency Appropriation for House Bill 3590 - Texas Fund for Geography Education.** Contingent upon the enactment of House Bill 3590, or similar legislation related to the National Geographic Society Texas Fund for Geography Education, the Higher Education Coordinating Board is appropriated \$500,000 in fiscal year 2002 from the General Revenue Fund to implement the provisions of the Act.
55. **Contingency Appropriation for Senate Bill 1596 - TEXAS Grant II Program.** Contingent upon the enactment of Senate Bill 1596, or similar legislation establishing the Toward EXcellence, Access, and Success (TEXAS) Grant II Program for two-year institutions, the Higher Education Coordinating Board is appropriated \$10,000,000 for the 2002–03 biennium to implement the provisions of the Act. Contingent upon the enactment of Senate Bill 1596 or similar legislation and a finding of fact by the Comptroller of Public Accounts (at the time of certification or after certification of this Act) that sufficient revenue is estimated to be available from the General Revenue Fund and following approval by the Legislative Budget Board, the Higher Education Coordinating Board is appropriated an additional \$10,000,000 for the 2002–03 biennium to implement the provisions of the Act.
- ** 56. **Allocations Made in Other Legislation: House Bill 2879.** Out of the funds appropriated above, the amount of \$20,000,000 in fiscal year 2002 plus unexpended balances in fiscal year 2003 are appropriated from the General Revenue Fund to the Higher Education Coordinating Board in accordance with House Bill 2879, Section 20, Acts of the Seventy-seventh Legislature, for support of the Teach for Texas Grant Program, the Joint Admission Medical Program, and the Public Awareness Campaign Promoting Higher Education. An amount of \$11,000,000 is allocated for the Teach for Texas Grant Program under Subchapter O, Chapter 56, Education Code, as redesignated by Senate Bill 1057, Acts of the Seventy-seventh Legislature; an amount of \$4,000,000 is allocated for the Joint Admission Medical Program under Subchapter V, Chapter 51, Education Code, as added by Senate Bill 940, Acts of the Seventy-seventh Legislature; and an amount of \$5,000,000 is allocated for the Public Awareness Campaign Promoting Higher Education under Subchapter X, Chapter 61, Education Code, as added by Senate Bill 573, Acts of the Seventy-seventh Legislature.

*House Bill 125 or similar legislation did not pass.

**Added per House Bill 2879.

HIGHER EDUCATION FUND

	For the Years Ending	
	August 31, 2002	August 31, 2003
Out of the General Revenue Fund:		
A. Goal: HIGHER EDUCATION FUND		
A.1.1. Strategy: HIGHER EDUCATION FUND	\$ 224,365,000	\$ 224,365,000
The constitutional appropriation for acquiring land with or without permanent improvements, constructing and equipping buildings or other permanent improvements, major repair or rehabilitation of buildings or other permanent improvements, and acquisition of capital equipment, library books and library materials at the eligible institutions and agencies of higher education pursuant to the provisions of Article VII, Section 17(a) of the Texas Constitution.		
Grand Total, HIGHER EDUCATION FUND	<u>\$ 224,365,000</u>	<u>\$ 224,365,000</u>

1. **Unexpended Balances.** Any unexpended balances as of August 31, 2001 in the General Revenue Fund pursuant to the provision of Article VII, Section 17(a) of the Texas Constitution, are hereby appropriated to the respective institutions for the biennium beginning September 1, 2001 for the same purposes.
2. **Higher Education Fund Deposit.** Out of the Funds appropriated above, the State Comptroller of Public Accounts shall deposit \$49,365,000 in each year of the biennium to the credit of the higher education fund in accordance with VTCA, Education Code § 62.025.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

	For the Years Ending	
	August 31, 2002	August 31, 2003
Out of the General Revenue Fund:		
1. Educational and General State Support	\$ 8,115,391	\$ 8,115,392
Grand Total, THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION	<u>\$ 8,115,391</u>	<u>\$ 8,115,392</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	223.8	223.8
Number of Full-Time-Equivalent Positions (FTE)-Total	478.4	478.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
(Continued)

Out of the General Revenue Fund:

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	\$ 833,603	\$ 833,604
A.1.2. Strategy: LOWER RIO GRANDE VALLEY-RAHC	\$ 3,750,000	\$ 3,750,000
Lower Rio Grande Valley-Regional Academic Health Center.		
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 4,583,603	\$ 4,583,604
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: TUITION REVENUE BONDS	\$ 2,831,788	\$ 2,831,788
Tuition revenue bonds for Lower Rio Grande Valley-Regional Academic Health Center.		
C. Goal: SPECIAL ITEM SUPPORT		
C.2.1. Strategy: HEALTH CARE		
PARTNERSHIPS-LAREDO	\$ 700,000	\$ 700,000
Health Care Partnerships - Laredo campus.		
Grand Total, THE UNIVERSITY OF TEXAS		
SYSTEM ADMINISTRATION	\$ 8,115,391	\$ 8,115,392

2. **Aircraft Authorized.** The University of Texas System is authorized to acquire, operate and maintain, including replacing, one passenger airplane. Such airplane should be acquired by gift, if possible, but may be acquired by purchase subject to the authority of the Aircraft Pooling Board under VTCA, Government Code, Chapter 2205. All costs of acquisition, operation and maintenance, including replacement, may be paid out of the Available University Fund allocable to The University of Texas System. The University of Texas System is also authorized to lease on a short-term basis additional aircraft as may be needed from time to time.
3. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$450,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.
- A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.
4. **Regional Academic Health Center.** The University of Texas System Administration may use funds appropriated above in Strategy A.1.2, Lower Rio Grande Valley-RAHC, and Strategy B.1.1, Tuition Revenue Bonds, to maintain the Lower Rio Grande Valley Regional Academic Health Center. It is the intent of the Legislature that the UT System distribute these funds in accordance with Texas Education Code 74.611 et seq. and the implementation plan and budget adopted by the UT System Board of Regents. The UT System may distribute these funds equitably among UT component institutions in developing the Regional Academic Health Center, including but not limited to, the University of Texas Health Science Center at Houston and the University of Texas Health Science Center at San Antonio.

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
(Continued)

5. **Informational Rider– Tobacco Settlement Receipts.** This Rider is informational only and does not make an appropriation. In addition to amounts appropriated above, the University of Texas System also receives an appropriation in Article XII, Tobacco Settlement Receipts, estimated to be \$900,000 each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.102(c), (d), and (f).
6. **Reporting of Teacher Misconduct.** From funds appropriated, the State Board of Educator Certification, the Texas Education Agency, and the University of Texas System shall coordinate to work with school districts to ensure timely and accurate reporting of teacher misconduct as required under Texas Administrative Code 249.14.

AVAILABLE UNIVERSITY FUND

	For the Years Ending	
	August 31,	August 31,
	2002	2003
Out of the Available University Fund No. 011:		
A. Goal: MANAGE/ADMINISTER ENDOWMENT FUNDS		
Provide management and administrative support for endowment funds.		
A.1.1. Strategy: TEXAS A&M UNIV SYSTEM		
ALLOCATION	\$ 115,629,449	\$ 122,997,740
The Available University Fund allocable to the Board of Regents of Texas A&M University, is hereby appropriated for the purpose of retiring obligations incurred under the authority of Article VII, Section 18 of the Texas Constitution, and may be expended for permanent improvements, new construction, equipment, repairs, and physical plant operation and maintenance, minority student scholarships and student recruitment, and educational and general activities of the Texas A&M University System pursuant to Article VII, Sections 11(a) and 18 of the Texas Constitution. Estimated.		
A.1.2. Strategy: THE UNIV OF TEXAS SYSTEM		
ALLOCATION	\$ 236,258,897	\$ 250,995,479
The residue of the Available University Fund allocable to The University of Texas System, including interest, is hereby appropriated for the purpose of retiring obligations incurred under the authority of Article VII, Section 18 of the Texas Constitution, and may be expended for permanent improvements, new construction, equipment, repairs and physical plant operation and maintenance, minority students scholarships and student recruitment, and educational and		

AVAILABLE UNIVERSITY FUND
(Continued)

general activities of The University of Texas
System Administration, and The University of
Texas at Austin pursuant to Article VII,
Sections 11(a) and 18 of the Texas
Constitution. Estimated.

Total, Goal A: MANAGE/ADMINISTER ENDOWMENT FUNDS	\$ <u>351,888,346</u>	\$ <u>373,993,219</u>
Grand Total, AVAILABLE UNIVERSITY FUND	\$ <u><u>351,888,346</u></u>	\$ <u><u>373,993,219</u></u>

- 1. Texas A&M University System Share.** There is hereby appropriated to the Texas A&M University System for the biennium ending August 31, 2003, that portion of the Available University Fund apportioned to it by Article VII, Section 18(f) , except the part of that portion appropriated by Section 18 for the payment of principal and interest on bonds or notes issued thereunder by the Board of Regents of the Texas A&M University System, together with interest and any balance in the Texas A&M University-The University of Texas Available Fund for any previous fiscal year. The Texas A&M University System is authorized to use a portion of its share of the Available University Fund for the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions at Texas A&M University and Prairie View A&M University.
- 2. The University of Texas System Share.** There is hereby appropriated for the biennium ending August 31, 2003 that portion of the Available University Fund (AUF) apportioned to The University of Texas System by Article VII, Section 18(f) , together with interest and any balance in the AUF for any previous years, except that portion appropriated by Section 18 for the payment of principal and interest on bonds or notes issued by the Board of Regents of The University of Texas System. This appropriation may be used for new construction, major repairs and rehabilitation, equipment, maintenance, operation, salaries, and support, including the matching of private grants for the endowment of scholarships, fellowships, library support, and academic positions for The University of Texas at Austin and for The University of Texas System Administration and is to be used as the Board of Regents of The University of Texas System may determine.
- 3. Transfer Authorization.** The University of Texas System may transfer from the Available University Fund No. 011 into the Texas A&M University Available Fund No. 047 its respective portion.
- 4. Reporting.** The University of Texas System Board of Regents and the Texas A&M University System Board of Regents shall report to the Legislature and the Governor no later than December 1 of each year:
 - the uses of the Available University Fund (AUF) for each system component and for system office operations for the two previous years, the current year, and two future years (projected), including:
 - debt service allocations, by component,
 - bond proceeds allocations, by component, and
 - excellence allocations, by component or system office, and their purposes;
 - Available University Fund income, interest, beginning- and end-of-year balances; and
 - the rationale used by the respective boards to distribute AUF funds.

In addition, by December 1 of each year, authorized managers of permanent funds and endowments whose earnings are appropriated above shall submit an annual financial report.

THE UNIVERSITY OF TEXAS AT ARLINGTON

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 109,429,618	\$ 108,600,775
Grand Total, THE UNIVERSITY OF TEXAS AT ARLINGTON	\$ 109,429,618	\$ 108,600,775
Method of Financing:		
General Revenue Fund	\$ 81,448,396	\$ 80,568,421
General Revenue Fund - Dedicated		
GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704	3,061,368	3,061,368
GR Dedicated - Estimated Other Educational and General Income Account No. 770	24,919,854	24,970,986
Subtotal, General Revenue Fund - Dedicated	\$ 27,981,222	\$ 28,032,354
Total, Method of Financing	\$ 109,429,618	\$ 108,600,775
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	1,921.5	1,921.5
Number of Full-Time-Equivalent Positions (FTE)-Total	2,651.5	2,651.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	30.6%	30.6%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	69%	70.3%
Administrative Cost as a Percent of Total Expenditures	10.6%	10.4%
State Pass Rate of Education EXCET Exam	62.7%	63.3%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	55.6%	55.6%
Percent of Lower Division Courses Taught by Tenured Faculty	36.2%	36.4%
State Licensure Pass Rate of Engineering Graduates	79%	79%
State Licensure Pass Rate of Nursing Graduates	90%	90%
Dollar Value of External or Sponsored Research Funds (in Millions)	9	10
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 74,196,155	\$ 74,196,155
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 2,207,290	\$ 2,207,291
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 2,742,192	\$ 3,082,773
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 363,513	\$ 363,513
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	\$ 35,337	\$ 35,337
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 2,782,606	\$ 2,788,201
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 1,458,331	\$ 1,458,331
Indirect cost recovery for research related activities.		

THE UNIVERSITY OF TEXAS AT ARLINGTON
(Continued)

A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$	5,254,197	\$	5,254,197
Capital Equity and Excellence funding.				
Total, Goal A: INSTRUCTION/OPERATIONS	\$	89,039,621	\$	89,385,798
B. Goal: INFRASTRUCTURE SUPPORT				
Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT	\$	12,604,518	\$	12,604,518
Educational and general space support.				
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	3,852,044	\$	2,827,024
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$	254,676	\$	254,676
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	16,711,238	\$	15,686,218
C. Goal: SPECIAL ITEM SUPPORT				
Provide special item support.				
C.1.1. Strategy: SCIENCE EDUCATION CENTER	\$	300,000	\$	150,000
C.2.1. Strategy: AUTOMATION AND ROBOTICS INSTITUTE	\$	1,497,822	\$	1,497,822
Automation and Robotics Research Institute.				
C.3.1. Strategy: RURAL HOSPITAL OUTREACH PROGRAM	\$	55,099	\$	55,099
C.3.2. Strategy: URBAN STUDIES INSTITUTE	\$	356,539	\$	356,539
Institute of Urban Studies.				
C.3.3. Strategy: MEXICAN AMERICAN STUDIES	\$	50,000	\$	50,000
C.4.1. Strategy: AFRICA INTERNATIONAL EXCHANGE	\$	131,805	\$	131,805
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	\$	1,287,494	\$	1,287,494
Total, Goal C: SPECIAL ITEM SUPPORT	\$	3,678,759	\$	3,528,759
Grand Total, THE UNIVERSITY OF TEXAS AT ARLINGTON	\$	109,429,618	\$	108,600,775
Method of Financing:				
General Revenue Fund	\$	81,448,396	\$	80,568,421
<u>General Revenue Fund - Dedicated</u>				
GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704		3,061,368		3,061,368
GR Dedicated - Estimated Other Educational and General Income Account No. 770		24,919,854		24,970,986
Subtotal, General Revenue Fund - Dedicated	\$	27,981,222	\$	28,032,354
Total, Method of Financing	\$	109,429,618	\$	108,600,775

2. **Robotics Engineering Research Program Transferability Authority.** The University of Texas at Arlington is hereby authorized to transfer or utilize from funds appropriated above an amount NTE \$500,000 to the Robotics Engineering Research Program in addition to the amount specified for that item. However, no funds may be transferred from any specified amount for faculty salaries, general scholarships, or minority scholarships and recruitment.

THE UNIVERSITY OF TEXAS AT ARLINGTON
(Continued)

3. **Center for Mexican American Studies.** The University of Texas at Arlington is hereby authorized to transfer or utilize, from funds appropriated above, an amount not to exceed \$300,000 for the operation of the Center for Mexican American Studies.
4. **Urban Studies Institute.** All funds collected by the Urban Studies Institute are hereby appropriated to The University of Texas at Arlington for the Urban Studies Institute. It is the intent of the Legislature that services provided by the Institute shall be provided at a reduced cost based upon financial need and the availability of like services.

THE UNIVERSITY OF TEXAS AT AUSTIN

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 354,585,489	\$ 353,339,131
Grand Total, THE UNIVERSITY OF TEXAS AT AUSTIN	<u><u>\$ 354,585,489</u></u>	<u><u>\$ 353,339,131</u></u>
Method of Financing:		
General Revenue Fund	\$ 239,608,001	\$ 238,186,802
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	14,147,862	14,147,862
Estimated Other Educational and General Income Account No. 770	100,829,626	101,004,467
Subtotal, General Revenue Fund - Dedicated	<u><u>\$ 114,977,488</u></u>	<u><u>\$ 115,152,329</u></u>
Total, Method of Financing	<u><u>\$ 354,585,489</u></u>	<u><u>\$ 353,339,131</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	7,212.0	7,212.0
Number of Full-Time-Equivalent Positions (FTE)-Total	13,553.0	13,630.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	68.7%	68.7%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	90.3%	90.3%
Administrative Cost as a Percent of Total Expenditures	5.7%	5.7%
State Pass Rate of Education EXCET Exam	75.5%	75.5%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	29%	29%
Percent of Lower Division Courses Taught by Tenured Faculty	40%	41%
State Licensure Pass Rate of Law Graduates	92%	92%
State Licensure Pass Rate of Engineering Graduates	90%	92%

(Continued)

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THE UNIVERSITY OF TEXAS AT AUSTIN
(Continued)

Method of Financing:			
*	General Revenue Fund	\$ 238,528,336	\$ 237,022,673
<u>General Revenue Fund - Dedicated</u>			
	Estimated Board Authorized Tuition Increases Account No. 704	14,147,862	14,147,862
	Estimated Other Educational and General Income Account No. 770	100,829,626	101,004,467
	Subtotal, General Revenue Fund - Dedicated	<u>\$ 114,977,488</u>	<u>\$ 115,152,329</u>
*	Total, Method of Financing	<u><u>\$ 353,505,824</u></u>	<u><u>\$ 352,174,912</u></u>
*	2. Bureau of Economic Geology Contingency. Included in the appropriation above to The University of Texas at Austin for information item C.2.3 is <i>\$445,000</i> in fiscal year 2002 and <i>\$445,000</i> in fiscal year 2003 contingent upon certification by the Comptroller of Public Accounts that increased activity by the Bureau of Economic Geology will generate at least <i>\$890,000</i> for the biennium in additional revenue to the General Revenue Fund.		
	3. Public Policy Clinics. Out of the funds appropriated above, \$250,000 in each year of the biennium shall be used for public policy clinics in the Department of Government. The clinics shall be focused on public policy issues salient to the State of Texas and to be offered as graduate-level seminars to help maximize the partnership with the Tomas Rivera Center, the Center for Migration and Border Studies and other academic institutions. These funds shall be used to pay research fellowships, surveys, and other expenses associated with the clinics.		

THE UNIVERSITY OF TEXAS AT DALLAS

		For the Years Ending	
		August 31, 2002	August 31, 2003
		<u>2002</u>	<u>2003</u>
1.	Educational and General State Support	\$ 74,270,404	\$ 73,869,193
Grand Total, THE UNIVERSITY OF TEXAS AT DALLAS		<u><u>\$ 74,270,404</u></u>	<u><u>\$ 73,869,193</u></u>
Method of Financing:			
	General Revenue Fund	\$ 52,239,352	\$ 51,776,484
<u>General Revenue Fund - Dedicated</u>			
	Estimated Board Authorized Tuition Increases Account No. 704	2,494,364	2,494,364
	Estimated Other Educational and General Income Account No. 770	19,536,688	19,598,345
	Subtotal, General Revenue Fund - Dedicated	<u>\$ 22,031,052</u>	<u>\$ 22,092,709</u>
Total, Method of Financing		<u><u>\$ 74,270,404</u></u>	<u><u>\$ 73,869,193</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds		1,163.5	1,163.5

*Reductions are the result of the Governor’s veto of House Bill 2436.

THE UNIVERSITY OF TEXAS AT DALLAS
(Continued)

Number of Full-Time-Equivalent Positions (FTE)-Total	1,651.5	1,666.5
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Supplemental Appropriations Made in Riders:	\$ 68,000	\$ 0
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1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS			
Provide instructional and operations support.			
Outcome (Results/Impact):			
Percent of First-time, Full-time, Degree-seeking Freshmen			
Who Earn a Baccalaureate Degree within Six Academic Years	52%		53%
Retention Rate of First-time, Full-time, Degree-seeking			
Freshmen Students after One Academic Year	79.5%		80.9%
Administrative Cost as a Percent of Total Expenditures	9.5%		9.5%
Percent of Baccalaureate Graduates Who Are First Generation			
College Graduates	45.2%		45.2%
Percent of Lower Division Courses Taught by Tenured Faculty			
	34%		35%
Dollar Value of External or Sponsored Research Funds (in Millions)			
	12.4		13
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 49,628,938	\$	49,628,938
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,218,802	\$	1,218,802
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 1,250,738	\$	1,406,079
A.1.4. Strategy: WORKERS' COMPENSATION			
INSURANCE	\$ 213,142	\$	213,142
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION			
INSURANCE	\$ 3,935	\$	3,935
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,667,414	\$	1,673,740
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 923,633	\$	923,633
Indirect cost recovery for research related activities.			
A.1.8. Strategy: ORGANIZED ACTIVITIES	\$ 3,634,545	\$	3,634,545
A.1.9. Strategy: CAPITAL EQUITY & EXCELLENCE			
FUNDING	<u>\$ 3,715,052</u>	<u>\$</u>	<u>3,715,052</u>
Capital Equity and Excellence funding.			
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 62,256,199</u>	<u>\$</u>	<u>62,417,866</u>
B. Goal: INFRASTRUCTURE SUPPORT			
Provide infrastructure support.			
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 7,651,091	\$	7,651,091
Educational and general space support.			
B.1.2. Strategy: TUITION REVENUE BOND			
RETIREMENT	\$ 1,796,453	\$	1,233,575
B.1.3. Strategy: SKILES ACT REVENUE BOND			
RETIREMENT	<u>\$ 113,274</u>	<u>\$</u>	<u>113,274</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 9,560,818</u>	<u>\$</u>	<u>8,997,940</u>

THE UNIVERSITY OF TEXAS AT DALLAS
(Continued)

C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: CENTER FOR APPLIED BIOLOGY	\$ 625,000	\$ 625,000
C.1.2. Strategy: NANOTECHNOLOGY	\$ 250,000	\$ 250,000
C.2.1. Strategy: ACADEMIC BRIDGE PROGRAM Intensive Summer Academic Bridge Program.	\$ 250,000	\$ 250,000
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 1,328,387	\$ 1,328,387
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 2,453,387	\$ 2,453,387
Grand Total, THE UNIVERSITY OF TEXAS AT DALLAS	\$ 74,270,404	\$ 73,869,193
Method of Financing:		
General Revenue Fund	\$ 52,239,352	\$ 51,776,484
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	2,494,364	2,494,364
Estimated Other Educational and General Income Account No. 770	19,536,688	19,598,345
Subtotal, General Revenue Fund - Dedicated	\$ 22,031,052	\$ 22,092,709
Total, Method of Financing	\$ 74,270,404	\$ 73,869,193

2. **Sale of Land from Repealed Constitutional Provision.** Contingent on the passage of House Joint Resolution 75 and subsequent approval by the voters, the General Land Office is hereby authorized to sell the tract located in Eastland County and known as the NE4 Section 10, D&D Asylum Survey in Eastland County, A-2104, File 4833. The proceeds of said sale, estimated to be \$68,000, shall be deposited into the General Revenue fund. Said proceeds are hereby appropriated to the University of Texas at Dallas from the General Revenue Fund for the purpose of collecting oral history on Texas African Americans.

THE UNIVERSITY OF TEXAS AT EL PASO

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 77,695,758	\$ 77,350,131
Grand Total, THE UNIVERSITY OF TEXAS AT EL PASO	\$ 77,695,758	\$ 77,350,131

THE UNIVERSITY OF TEXAS AT EL PASO
(Continued)

Method of Financing:		
General Revenue Fund	\$ 58,626,407	\$ 58,270,737
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	360,000	360,000
Estimated Other Educational and General Income Account No. 770	18,709,351	18,719,394
Subtotal, General Revenue Fund - Dedicated	<u>\$ 19,069,351</u>	<u>\$ 19,079,394</u>
Total, Method of Financing	<u><u>\$ 77,695,758</u></u>	<u><u>\$ 77,350,131</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	1,510.6	1,510.6
Number of Full-Time-Equivalent Positions (FTE)-Total	2,536.5	2,551.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	25.5%	26%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	70.2%	71.4%
Administrative Cost as a Percent of Total Expenditures	9.6%	9.6%
State Pass Rate of Education EXCET Exam	79.9%	79.9%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	61.8%	61.8%
Percent of Lower Division Courses Taught by Tenured Faculty	50.9%	51%
State Licensure Pass Rate of Engineering Graduates	82.4%	82.4%
State Licensure Pass Rate of Nursing Graduates	91.5%	92%
Dollar Value of External or Sponsored Research Funds (in Millions)	13.1	13.6
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 41,649,110	\$ 41,649,110
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,548,569	\$ 1,548,570
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 1,825,892	\$ 2,052,668
A.1.4. Strategy: WORKERS' COMPENSATION		
INSURANCE	\$ 309,887	\$ 309,887
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION		
INSURANCE	\$ 4,488	\$ 4,488
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 2,191,571	\$ 2,193,071
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 2,197,281	\$ 2,197,281
Indirect cost recovery for research related activities.		
A.1.8. Strategy: FORMULA HOLD HARMLESS	\$ 159,964	\$ 159,964
A.1.9. Strategy: CAPITAL EQUITY & EXCELLENCE		
FUNDING	<u>\$ 3,753,781</u>	<u>\$ 3,753,781</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u><u>\$ 53,640,543</u></u>	<u><u>\$ 53,868,820</u></u>

THE UNIVERSITY OF TEXAS AT EL PASO
(Continued)

B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$ 10,835,023	\$ 10,835,023
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 2,643,672	\$ 2,069,768
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	<u>\$ 133,169</u>	<u>\$ 133,169</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 13,611,864</u>	<u>\$ 13,037,960</u>
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.2.1. Strategy: BORDER STUDIES INSTITUTE Inter-American and Border Studies Institute.	\$ 98,567	\$ 98,567
C.2.2. Strategy: ENVIRONMENTAL RESOURCE MANAGEMENT Center for Environmental Resource Management.	\$ 262,820	\$ 262,820
C.2.3. Strategy: CENTER FOR LAW AND BORDER STUDIES	\$ 500,000	\$ 500,000
C.3.1. Strategy: EL PASO CENTENNIAL MUSEUM	\$ 136,835	\$ 136,835
C.3.2. Strategy: RURAL NURSING HEALTH CARE Rural nursing health care services.	\$ 72,145	\$ 72,145
C.3.3. Strategy: MANUFACTURE/MATERIALS MANAGEMENT Institute for Manufacturing and Materials Management.	\$ 100,505	\$ 100,505
C.3.4. Strategy: ECONOMIC/ENTERPRISE DEVELOPMENT Texas Centers for Economic and Enterprise Development.	\$ 961,618	\$ 961,618
C.3.5. Strategy: ACADEMIC EXCELLENCE Collaborative for Academic Excellence.	\$ 131,410	\$ 131,410
C.3.6. Strategy: BORDER COMMUNITY HEALTH Border Community Health Education Institute.	\$ 325,000	\$ 325,000
C.3.7. Strategy: US-MEXICO IMMIGRATION CENTER United States - Mexico Immigration Center.	\$ 50,000	\$ 50,000
C.3.8. Strategy: BORDER HEALTH RESEARCH	\$ 350,000	\$ 350,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	<u>\$ 7,454,451</u>	<u>\$ 7,454,451</u>
Total, Goal C: SPECIAL ITEM SUPPORT	<u>\$ 10,443,351</u>	<u>\$ 10,443,351</u>
Grand Total, THE UNIVERSITY OF TEXAS AT EL PASO	<u><u>\$ 77,695,758</u></u>	<u><u>\$ 77,350,131</u></u>
Method of Financing:		
General Revenue Fund	\$ 58,626,407	\$ 58,270,737
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	360,000	360,000
Estimated Other Educational and General Income Account No. 770	18,709,351	18,719,394
Subtotal, General Revenue Fund - Dedicated	<u>\$ 19,069,351</u>	<u>\$ 19,079,394</u>
Total, Method of Financing	<u><u>\$ 77,695,758</u></u>	<u><u>\$ 77,350,131</u></u>

THE UNIVERSITY OF TEXAS AT EL PASO
(Continued)

2. **Transfer of Consortium Funds.** Funds identified for the Texas Centers for Border Economic and Enterprise Development are to be distributed among the member institutions of the consortium by transfers from appropriations to The University of Texas at El Paso to The University of Texas-Pan American and Texas A&M International University. Such transfers are subject to the special and general provisions of this Act and are authorized as follows:

	<u>2002</u>	<u>2003</u>
Texas A&M International University: Institute for International Trade	\$ 221,171	\$ 221,171
The University of Texas - Pan American: Center for Entrepreneurship and Economic Development	\$ 366,858	\$ 366,858

3. **Informational Rider– Tobacco Settlement Receipts.** This Rider is informational only and does not make an appropriation. In addition to amounts appropriated above, the University of Texas El Paso also receives an appropriation in Article XII, Tobacco Settlement Receipts, estimated to be \$1,125,000 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.102(c), (d), and (f).

THE UNIVERSITY OF TEXAS - PAN AMERICAN

	For the Years Ending	
	August 31, <u>2002</u>	August 31, <u>2003</u>
1. Educational and General State Support	\$ 60,288,088	\$ 60,923,189
Grand Total, THE UNIVERSITY OF TEXAS - PAN AMERICAN	<u><u>\$ 60,288,088</u></u>	<u><u>\$ 60,923,189</u></u>
Method of Financing:		
General Revenue Fund	\$ 46,722,386	\$ 47,352,920
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	290,160	290,160
Estimated Other Educational and General Income Account No. 770	13,275,542	13,280,109
Subtotal, General Revenue Fund - Dedicated	<u>\$ 13,565,702</u>	<u>\$ 13,570,269</u>
Total, Method of Financing	<u><u>\$ 60,288,088</u></u>	<u><u>\$ 60,923,189</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	1,257.0	1,257.0
Number of Full-Time-Equivalent Positions (FTE)-Total	1,786.5	1,813.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

THE UNIVERSITY OF TEXAS - PAN AMERICAN
(Continued)

A. Goal: INSTRUCTION/OPERATIONS			
Provide instructional and operations support.			
Outcome (Results/Impact):			
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	27%		29%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	66%		67%
Administrative Cost as a Percent of Total Expenditures	10.5%		10%
State Pass Rate of Education EXCET Exam	32.3%		32.6%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	79%		79%
Percent of Lower Division Courses Taught by Tenured Faculty	48%		49%
State Licensure Pass Rate of Nursing Graduates	91.8%		91.8%
Dollar Value of External or Sponsored Research Funds (in Millions)	2.25		2.5
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 34,242,672	\$	34,242,672
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,343,930	\$	1,343,931
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 1,209,352	\$	1,359,553
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 171,413	\$	171,413
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 2,001,218	\$	2,001,930
A.1.6. Strategy: INDIRECT COST RECOVERY	\$ 264,822	\$	264,822
Indirect cost recovery for research related activities.			
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 635,846	\$	1,126,104
Capital Equity and Excellence funding.			
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 39,869,253</u>	<u>\$</u>	<u>40,510,425</u>
B. Goal: INFRASTRUCTURE SUPPORT			
Provide infrastructure support.			
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 7,418,743	\$	7,418,743
Educational and general space support.			
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	<u>\$ 2,914,781</u>	<u>\$</u>	<u>2,908,710</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 10,333,524</u>	<u>\$</u>	<u>10,327,453</u>
C. Goal: SPECIAL ITEM SUPPORT			
Provide special item support.			
C.1.1. Strategy: PROF DEVELOPMENT/DISTANCE LEARNING	\$ 250,000	\$	250,000
Professional development/distance learning.			
C.1.2. Strategy: COOPERATIVE PHARMACY DOCTORATE	\$ 300,000	\$	300,000
C.1.3. Strategy: STARR COUNTY UPPER LEVEL CENTER	\$ 150,000	\$	150,000
C.2.1. Strategy: ECONOMIC DEVELOPMENT	\$ 140,278	\$	140,278
Center for Entrepreneurship and Economic Development.			
C.2.2. Strategy: CENTER FOR MANUFACTURING	\$ 218,992	\$	218,992
C.2.3. Strategy: UT SYSTEM K-12 COLLABORATION	\$ 175,739	\$	175,739
University of Texas System K-12 Collaboration Initiative.			
C.2.4. Strategy: TRADE & TECHNOLOGY/TELECOMM	\$ 131,805	\$	131,805
Provide video teleconferencing capabilities to local small businesses.			
C.2.5. Strategy: DIABETES REGISTRY	\$ 252,443	\$	252,443
C.2.6. Strategy: TEXAS/MEXICO BORDER HEALTH	\$ 350,000	\$	350,000

THE UNIVERSITY OF TEXAS - PAN AMERICAN
(Continued)

C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 7,616,054	\$ 7,616,054
C.3.2. Strategy: TRANSITION TO COLLEGE Successful Transition to College Project.	\$ 500,000	\$ 500,000
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 10,085,311	\$ 10,085,311
Grand Total, THE UNIVERSITY OF TEXAS - PAN AMERICAN	\$ 60,288,088	\$ 60,923,189
Method of Financing:		
General Revenue Fund	\$ 46,722,386	\$ 47,352,920
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	290,160	290,160
Estimated Other Educational and General Income Account No. 770	13,275,542	13,280,109
Subtotal, General Revenue Fund - Dedicated	\$ 13,565,702	\$ 13,570,269
Total, Method of Financing	\$ 60,288,088	\$ 60,923,189

THE UNIVERSITY OF TEXAS AT BROWNSVILLE

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 20,154,483	\$ 20,415,541
Grand Total, THE UNIVERSITY OF TEXAS AT BROWNSVILLE	\$ 20,154,483	\$ 20,415,541
Method of Financing:		
General Revenue Fund	\$ 17,077,485	\$ 17,336,988
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	76,000	76,000
Estimated Other Educational and General Income Account No. 770	3,000,998	3,002,553
Subtotal, General Revenue Fund - Dedicated	\$ 3,076,998	\$ 3,078,553
Total, Method of Financing	\$ 20,154,483	\$ 20,415,541
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	294.2	294.2
Number of Full-Time-Equivalent Positions (FTE)-Total	441.9	441.9

THE UNIVERSITY OF TEXAS AT BROWNSVILLE
(Continued)

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.			
A. Goal: INSTRUCTION/OPERATIONS			
Provide instructional and operations support.			
Outcome (Results/Impact):			
Administrative Cost as a Percent of Total Expenditures	11.4%		11.4%
State Pass Rate of Education EXCET Exam	41.6%		42%
Percent of Baccalaureate Graduates Who Are First Generation			
College Graduates	75.8%		75.8%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 6,951,619	\$	6,951,619
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 293,244	\$	293,245
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 99,050	\$	111,352
A.1.4. Strategy: WORKERS' COMPENSATION			
INSURANCE	\$ 20,438	\$	20,438
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 490,489	\$	490,798
A.1.6. Strategy: INDIRECT COST RECOVERY	\$ 248,578	\$	248,578
Indirect cost recovery for research related activities.			
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE			
FUNDING	\$ 109,880	\$	194,602
Capital Equity and Excellence funding.			
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 8,213,298	\$	8,310,632
B. Goal: INFRASTRUCTURE SUPPORT			
Provide infrastructure support.			
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 2,577,390	\$	2,577,390
Educational and general space support.			
B.1.2. Strategy: TUITION REVENUE BOND			
RETIREMENT	\$ 1,976,054	\$	1,976,171
B.1.3. Strategy: LEASE OF FACILITIES	\$ 1,471,997	\$	1,635,604
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 6,025,441	\$	6,189,165
C. Goal: SPECIAL ITEM SUPPORT			
Provide special item support.			
C.2.1. Strategy: ECONOMIC DEVELOPMENT	\$ 250,000	\$	250,000
Texas Center for Border Economic Development.			
C.2.2. Strategy: K-16 COLLABORATION IN UTB SRV			
AREA	\$ 250,000	\$	250,000
K-16 collaboration in the UT-Brownsville service area.			
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 5,415,744	\$	5,415,744
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 5,915,744	\$	5,915,744
Grand Total, THE UNIVERSITY OF TEXAS AT BROWNSVILLE	\$ 20,154,483	\$	20,415,541
Method of Financing:			
General Revenue Fund	\$ 17,077,485	\$	17,336,988

THE UNIVERSITY OF TEXAS AT BROWNSVILLE
(Continued)

<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	76,000	76,000
Estimated Other Educational and General Income Account No. 770	3,000,998	3,002,553
Subtotal, General Revenue Fund - Dedicated	\$ 3,076,998	\$ 3,078,553
Total, Method of Financing	\$ 20,154,483	\$ 20,415,541

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 16,015,964	\$ 15,867,679
Grand Total, THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	\$ 16,015,964	\$ 15,867,679
Method of Financing:		
General Revenue Fund	\$ 13,697,310	\$ 13,548,171
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	137,270	137,270
Estimated Other Educational and General Income Account No. 770	2,181,384	2,182,238
Subtotal, General Revenue Fund - Dedicated	\$ 2,318,654	\$ 2,319,508
Total, Method of Financing	\$ 16,015,964	\$ 15,867,679
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	248.5	248.5
Number of Full-Time-Equivalent Positions (FTE)-Total	295.5	297.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.
- A. Goal:** INSTRUCTION/OPERATIONS
Provide instructional and operations support.
- Outcome (Results/Impact):**
- | | | |
|---|-------|-------|
| Percent of First-time, Full-time, Degree-seeking Freshmen | | |
| Who Earn a Baccalaureate Degree within Six Academic Years | 31% | 31% |
| Retention Rate of First-time, Full-time, Degree-seeking | | |
| Freshmen Students after One Academic Year | 64.9% | 64.9% |
| Administrative Cost as a Percent of Total Expenditures | 12.5% | 12.5% |
| State Pass Rate of Education EXCET Exam | 68.3% | 69% |
| Percent of Baccalaureate Graduates Who Are First Generation | | |
| College Graduates | 43.5% | 43.5% |
| Percent of Lower Division Courses Taught by Tenured Faculty | 53.7% | 53.7% |

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN
(Continued)

A.1.1. Strategy: OPERATIONS SUPPORT	\$	5,957,878	\$	5,957,878
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$	253,392	\$	253,393
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	143,733	\$	161,584
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$	36,871	\$	36,871
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	461,915	\$	462,091
A.1.6. Strategy: INDIRECT COST RECOVERY Indirect cost recovery for research related activities.	\$	20,513	\$	20,513
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$	883,244	\$	883,244
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING Capital Equity and Excellence funding.	\$	475,909	\$	475,909
Total, Goal A: INSTRUCTION/OPERATIONS	\$	8,233,455	\$	8,251,483
B. Goal: INFRASTRUCTURE SUPPORT Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$	2,253,123	\$	2,253,123
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	1,810,607	\$	1,644,294
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$	24,718	\$	24,718
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	4,088,448	\$	3,922,135
C. Goal: SPECIAL ITEM SUPPORT Provide special item support.				
C.1.1. Strategy: CENTER FOR ENERGY	\$	329,511	\$	329,511
C.1.2. Strategy: PRESIDENTIAL MUSEUM	\$	125,000	\$	125,000
C.2.1. Strategy: PUBLIC LEADERSHIP INSTITUTE John Ben Shepperd Public Leadership Institute.	\$	878,697	\$	878,697
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	2,360,853	\$	2,360,853
Total, Goal C: SPECIAL ITEM SUPPORT	\$	3,694,061	\$	3,694,061
Grand Total, THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN	\$	16,015,964	\$	15,867,679
Method of Financing:				
General Revenue Fund	\$	13,697,310	\$	13,548,171
<u>General Revenue Fund - Dedicated</u>				
Estimated Board Authorized Tuition Increases Account No. 704		137,270		137,270
Estimated Other Educational and General Income Account No. 770		2,181,384		2,182,238
Subtotal, General Revenue Fund - Dedicated	\$	2,318,654	\$	2,319,508
Total, Method of Financing	\$	16,015,964	\$	15,867,679

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 88,130,548	\$ 87,578,785
Grand Total, THE UNIVERSITY OF TEXAS AT SAN ANTONIO	<u>\$ 88,130,548</u>	<u>\$ 87,578,785</u>
Method of Financing:		
General Revenue Fund	\$ 66,971,445	\$ 66,405,033
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,321,640	1,321,640
Estimated Other Educational and General Income Account No. 770	19,837,463	19,852,112
Subtotal, General Revenue Fund - Dedicated	<u>\$ 21,159,103</u>	<u>\$ 21,173,752</u>
Total, Method of Financing	<u>\$ 88,130,548</u>	<u>\$ 87,578,785</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	1,638.3	1,638.3
Number of Full-Time-Equivalent Positions (FTE)-Total	2,242.3	2,262.3

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	26.7%	27.3%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	62.6%	63.7%
Administrative Cost as a Percent of Total Expenditures	11.4%	11.4%
State Pass Rate of Education EXCET Exam	90%	90%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	56%	56%
Percent of Lower Division Courses Taught by Tenured Faculty	38.9%	38.9%
State Licensure Pass Rate of Engineering Graduates	66%	67%
Dollar Value of External or Sponsored Research Funds (in Millions)	7	7.5
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 47,308,039	\$ 47,308,039
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,699,961	\$ 1,699,962
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 1,698,568	\$ 1,909,530
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 212,090	\$ 212,090
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	\$ 388	\$ 388
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 2,705,386	\$ 2,707,403
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 678,794	\$ 678,794
Indirect cost recovery for research related activities.		

THE UNIVERSITY OF TEXAS AT SAN ANTONIO
(Continued)

A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$	<u>5,830,074</u>	\$	<u>5,830,074</u>
Capital Equity and Excellence funding.				
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>60,133,300</u>	\$	<u>60,346,280</u>
B. Goal: INFRASTRUCTURE SUPPORT				
Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT	\$	10,572,176	\$	10,572,176
Educational and general space support.				
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	6,269,746	\$	5,505,003
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$	<u>222,140</u>	\$	<u>222,140</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	<u>17,064,062</u>	\$	<u>16,299,319</u>
C. Goal: SPECIAL ITEM SUPPORT				
Provide special item support.				
C.1.1. Strategy: TEXAS PRE-ENGINEERING PROGRAM	\$	636,788	\$	636,788
C.2.1. Strategy: WATER RESEARCH CENTER	\$	150,000	\$	150,000
Center for Water Research.				
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	\$	2,126,097	\$	2,126,097
C.3.2. Strategy: INSTITUTE OF TEXAN CULTURES	\$	2,232,144	\$	2,232,144
C.4.1. Strategy: DOWNTOWN CAMPUS PHASE II	\$	1,500,000	\$	1,500,000
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>4,288,157</u>	\$	<u>4,288,157</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>10,933,186</u>	\$	<u>10,933,186</u>
Grand Total, THE UNIVERSITY OF TEXAS AT SAN ANTONIO	\$	<u><u>88,130,548</u></u>	\$	<u><u>87,578,785</u></u>
Method of Financing:				
General Revenue Fund	\$	66,971,445	\$	66,405,033
<u>General Revenue Fund - Dedicated</u>				
Estimated Board Authorized Tuition Increases Account No. 704		1,321,640		1,321,640
Estimated Other Educational and General Income Account No. 770		19,837,463		19,852,112
Subtotal, General Revenue Fund - Dedicated	\$	<u>21,159,103</u>	\$	<u>21,173,752</u>
Total, Method of Financing	\$	<u><u>88,130,548</u></u>	\$	<u><u>87,578,785</u></u>

2. **Small Business Development Center.** Included in the appropriation above to The University of Texas at San Antonio is \$2,126,097 in each year of the biennium for the Small Business Development Center, or its equivalent due to special and general provisions of this Act, contingent upon certification by the Comptroller of Public Accounts that increased activity by the Small Business Development Center will generate at least \$4,252,194 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Small Business Development Center be used by the center to attract federal funds on a dollar-for-dollar basis.

THE UNIVERSITY OF TEXAS AT TYLER

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 24,727,769	\$ 24,032,832
Grand Total , THE UNIVERSITY OF TEXAS AT TYLER	<u>\$ 24,727,769</u>	<u>\$ 24,032,832</u>
Method of Financing:		
General Revenue Fund	\$ 21,562,566	\$ 20,866,694
Estimated Other Educational and General Income Account No. 770	3,165,203	3,166,138
Total, Method of Financing	<u>\$ 24,727,769</u>	<u>\$ 24,032,832</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	353.3	353.3
Number of Full-Time-Equivalent Positions (FTE)-Total	385.9	387.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	74%	75%
Administrative Cost as a Percent of Total Expenditures	14.9%	14%
State Pass Rate of Education EXCET Exam	88%	88%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	41%	41%
Percent of Lower Division Courses Taught by Tenured Faculty	61.6%	61.6%
State Licensure Pass Rate of Nursing Graduates	98%	98%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 11,960,056	\$ 11,960,057
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 471,304	\$ 471,304
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 352,419	\$ 396,190
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 68,574	\$ 68,574
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 475,809	\$ 475,955
A.1.6. Strategy: INDIRECT COST RECOVERY	\$ 51,818	\$ 51,818
Indirect cost recovery for research related activities.		
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	<u>\$ 967,373</u>	<u>\$ 967,373</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 14,347,353</u>	<u>\$ 14,391,271</u>
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 2,955,157	\$ 2,955,157
Educational and general space support.		

THE UNIVERSITY OF TEXAS AT TYLER
(Continued)

B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 936,795	\$ 936,725
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	<u>\$ 39,028</u>	<u>\$ 39,028</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 3,930,980</u>	<u>\$ 3,930,910</u>
C. Goal: SPECIAL ITEM SUPPORT Provide special item support.		
C.1.1. Strategy: 4-YEAR START UP OPERATIONS	\$ 1,280,000	\$ 1,375,000
C.1.2. Strategy: LONGVIEW CAMPUS	\$ 1,377,625	\$ 1,377,625
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	<u>\$ 3,791,811</u>	<u>\$ 2,958,026</u>
Total, Goal C: SPECIAL ITEM SUPPORT	<u>\$ 6,449,436</u>	<u>\$ 5,710,651</u>
Grand Total, THE UNIVERSITY OF TEXAS AT TYLER	<u><u>\$ 24,727,769</u></u>	<u><u>\$ 24,032,832</u></u>
Method of Financing: General Revenue Fund	\$ 21,562,566	\$ 20,866,694
Estimated Other Educational and General Income Account No. 770	3,165,203	3,166,138
Total, Method of Financing	<u><u>\$ 24,727,769</u></u>	<u><u>\$ 24,032,832</u></u>

TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES

	For the Years Ending	
	August 31, <u>2002</u>	August 31, <u>2003</u>
Out of the General Revenue Fund:		
1. Educational and General State Support	\$ 3,109,467	\$ 609,467
Grand Total, TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES	<u><u>\$ 3,109,467</u></u>	<u><u>\$ 609,467</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	83.0	83.0
Number of Full-Time-Equivalent Positions (FTE)-Total	287.8	287.8
Supplemental Appropriations Made in Riders:	\$ 2,037,000	\$ 1,505,000

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
(Continued)

Out of the General Revenue Fund:

A. Goal: INSTRUCTION/OPERATIONS			
Provide instructional and operations support.			
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	\$	609,467	\$ 609,467
B. Goal: SPECIAL ITEM SUPPORT			
Provide special item support.			
B.1.1. Strategy: SCHOLARSHIPS	\$	2,500,000	\$ UB
 Grand Total, TEXAS A&M UNIVERSITY SYSTEM ADMINISTRATIVE AND GENERAL OFFICES			
	\$	<u>3,109,467</u>	\$ <u>609,467</u>

2. **Mineral Fund Appropriated.** There is hereby appropriated to the Board of Regents of the Texas A&M University System the funds in the Texas A&M University System Special Mineral Fund to be invested by said board in accordance with VTCA, Education Code § 85.70, and the income from said Fund is hereby appropriated to the Board of Regents of the Texas A&M University System to be disbursed for the purposes provided for and in accordance with the provisions of the above citation. Mineral Funds estimated to be \$2,037,000 in 2002 and \$1,505,000 in 2003.
3. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$325,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.
- A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.
4. **De Jure Racial Segregation Study.** Out of funds appropriated, the Texas A&M University System shall study the mission and activities of the Texas A&M University System Agricultural Extension Service and the Prairie View A&M University Cooperative Extension Program to eliminate vestiges of *de jure* racial segregation, if any, increase efficiency, maximize funding from sources other than General Revenue, and improve services to all the people of Texas. The study and recommendations shall be provided to the Legislative Budget Board and the Governor's Office of Budget and Planning by September 1, 2002.

TEXAS A&M UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 285,938,050	\$ 286,163,727
Grand Total, TEXAS A&M UNIVERSITY	<u>\$ 285,938,050</u>	<u>\$ 286,163,727</u>
Method of Financing:		
General Revenue Fund	\$ 206,744,183	\$ 206,843,731

TEXAS A&M UNIVERSITY
(Continued)

<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	5,600,000	5,600,000
Estimated Other Educational and General Income Account No. 770	71,480,867	71,606,996
Subtotal, General Revenue Fund - Dedicated	<u>\$ 77,080,867</u>	<u>\$ 77,206,996</u>
Real Estate Fee Trust Account No 969	2,113,000	2,113,000
Total, Method of Financing	<u>\$ 285,938,050</u>	<u>\$ 286,163,727</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	6,377.0	6,377.0
Number of Full-Time-Equivalent Positions (FTE)-Total	10,109.0	10,139.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	70%	70%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	90%	90%
Administrative Cost as a Percent of Total Expenditures	3.4%	3.4%
State Pass Rate of Education EXCET Exam	92.6%	92.6%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	50%	50%
Percent of Lower Division Courses Taught by Tenured Faculty	30%	30%
State Licensure Pass Rate of Engineering Graduates	88.5%	88.5%
State Licensure Examination Pass Rate of Veterinary Medicine Graduates	97.2%	97.2%
Dollar Value of External or Sponsored Research Funds (in Millions)	82.9	82.9
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 200,865,186	\$ 200,865,186
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 5,854,394	\$ 5,854,395
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 4,626,643	\$ 5,201,272
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 2,315,221	\$ 2,315,221
A.1.5. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 6,902,626	\$ 6,917,003
A.1.6. Strategy: INDIRECT COST RECOVERY	\$ 3,476,000	\$ 3,476,000
Indirect cost recovery for research related activities.		
A.1.7. Strategy: ORGANIZED ACTIVITIES	<u>\$ 6,942,093</u>	<u>\$ 6,942,093</u>
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 230,982,163</u>	<u>\$ 231,571,170</u>
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 41,954,561	\$ 41,954,561
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 1,756,639	\$ 1,744,788
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	<u>\$ 472,848</u>	<u>\$ 472,848</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 44,184,048</u>	<u>\$ 44,172,197</u>

TEXAS A&M UNIVERSITY
(Continued)

C. Goal: SPECIAL ITEM SUPPORT			
Provide special item support.			
C.1.1. Strategy: VETERINARY MEDICAL EDUCATION PGM	\$	1,500,000	\$ 1,500,000
Veterinary Medical Education Program.			
C.2.1. Strategy: CYCLOTRON INSTITUTE	\$	626,462	\$ 626,462
C.2.2. Strategy: SEA GRANT PROGRAM	\$	411,060	\$ 411,060
C.2.3. Strategy: ENERGY RESOURCES PROGRAM	\$	630,589	\$ 630,589
C.2.4. Strategy: PUBLIC POLICY RESOURCE LABORATORY	\$	47,135	\$ 47,135
C.2.5. Strategy: REAL ESTATE RESEARCH CENTER	\$	2,113,000	\$ 2,113,000
C.3.1. Strategy: SCHOOL OF ARCHITECTURE	\$	857,456	\$ 857,456
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	4,586,137	\$ 4,234,658
Total, Goal C: SPECIAL ITEM SUPPORT	\$	10,771,839	\$ 10,420,360
Grand Total, TEXAS A&M UNIVERSITY	\$	285,938,050	\$ 286,163,727

Method of Financing:			
General Revenue Fund	\$	206,744,183	\$ 206,843,731
General Revenue Fund - Dedicated			
Estimated Board Authorized Tuition Increases Account No. 704		5,600,000	5,600,000
Estimated Other Educational and General Income Account No. 770		71,480,867	71,606,996
Subtotal, General Revenue Fund - Dedicated	\$	77,080,867	\$ 77,206,996
Real Estate Fee Trust Account No 969		2,113,000	2,113,000
Total, Method of Financing	\$	285,938,050	\$ 286,163,727

2. **Real Estate Research Center.** Funds derived from the provisions of VTCS, Article 6573a, § 5.m, in support of the Real Estate Research Center at Texas A&M University, are appropriated above to said center for the purposes stipulated therein. No employee paid from funds appropriated by this Act shall be paid both a salary and compensatory per diem for concurrent service as a state employee and as a board or commission member.
3. **Contingency Appropriation for Contract Settlement.** Contingent on a finding by a judge of the State Office of Administrative Hearings that Texas A&M University is liable for damages to DalMac Construction Company because of breach of a contract for the construction of a recreational sports building, Texas A&M University is authorized, from the funds appropriated above, to pay the liability to DalMac, an amount of not more than the lesser of : (1) \$3,000,000; or (2) the amount owed on the contract including any orders for additional work, less any amount owed for work not performed under the contract or in substantial compliance with the contract, and less any valid counterclaim or offset asserted by Texas A&M University. The amount paid by Texas A&M University to DalMac Construction Company may not include any amount attributable to consequential damages resulting from any breach of contract, punitive or exemplary damages, or attorney fees.

TEXAS A&M UNIVERSITY AT GALVESTON

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 13,621,517	\$ 13,659,041
Grand Total, TEXAS A&M UNIVERSITY AT GALVESTON	<u>\$ 13,621,517</u>	<u>\$ 13,659,041</u>
Method of Financing:		
General Revenue Fund	\$ 10,750,981	\$ 10,781,039
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	2,870,536	2,878,002
Total, Method of Financing	<u>\$ 13,621,517</u>	<u>\$ 13,659,041</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	279.0	279.0
Number of Full-Time-Equivalent Positions (FTE)-Total	418.0	422.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	50%	50%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	71%	74%
Administrative Cost as a Percent of Total Expenditures	10%	11%
Percent of Lower Division Courses Taught by Tenured Faculty	35%	38%
Dollar Value of External or Sponsored Research Funds (in Millions)	4.7	5.7
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 3,648,865	\$ 3,648,865
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 142,437	\$ 142,438
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 200,679	\$ 225,603
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 95,655	\$ 95,655
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	\$ 828	\$ 828
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 241,833	\$ 242,608
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 225,000	\$ 225,000
Indirect cost recovery for research related activities.		
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	<u>\$ 451,967</u>	<u>\$ 451,967</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 5,007,264</u>	<u>\$ 5,032,964</u>
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 2,160,396	\$ 2,160,396
Educational and general space support.		

TEXAS A&M UNIVERSITY AT GALVESTON
(Continued)

C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: MARINE/MARITIME INSTRUCTION Marine and maritime instructional enhancement.	\$	2,350,223	\$	2,403,122
C.2.1. Strategy: COASTAL ZONE LABORATORY	\$	26,151	\$	26,151
C.2.2. Strategy: INSTITUTE OF OCEANOGRAPHY Texas Institute of Oceanography.	\$	536,373	\$	536,373
C.4.1. Strategy: DREDGING OF DOCK AREA	\$	41,075	\$	UB
C.4.2. Strategy: SHIP OPERATION & MAINTENANCE Ship operation and maintenance.	\$	1,030,971	\$	1,030,971
C.4.3. Strategy: MARINE TERMINAL OPERATION Marine terminal operations.	\$	459,688	\$	459,688
C.4.4. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>2,009,376</u>	\$	<u>2,009,376</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>6,453,857</u>	\$	<u>6,465,681</u>

Grand Total, TEXAS A&M UNIVERSITY AT GALVESTON	\$	<u>13,621,517</u>	\$	<u>13,659,041</u>
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Method of Financing:

General Revenue Fund	\$	10,750,981	\$	10,781,039
GR - Dedicated - Estimated Other Educational and General Income Account No. 770		2,870,536		2,878,002
Total, Method of Financing	\$	<u>13,621,517</u>	\$	<u>13,659,041</u>

2. **Training Vessel.** No funds appropriated to Texas A&M University at Galveston may be expended for purchase of a training vessel.

PRAIRIE VIEW A&M UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 53,029,373	\$ 53,449,310
Grand Total, PRAIRIE VIEW A&M UNIVERSITY	<u>\$ 53,029,373</u>	<u>\$ 53,449,310</u>

Method of Financing:

General Revenue Fund	\$	41,732,437	\$	42,125,345
<u>General Revenue Fund - Dedicated</u> Estimated Board Authorized Tuition Increases Account No. 704		90,017		90,017

PRAIRIE VIEW A&M UNIVERSITY
(Continued)

Estimated Other Educational and General Income Account No. 770	10,206,919	10,233,948
Center for Study and Prevention of Juvenile Crime and Delinquency	1,000,000	1,000,000
Subtotal, General Revenue Fund - Dedicated	<u>\$ 11,296,936</u>	<u>\$ 11,323,965</u>
Total, Method of Financing	<u><u>\$ 53,029,373</u></u>	<u><u>\$ 53,449,310</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	645.2	645.2
Number of Full-Time-Equivalent Positions (FTE)-Total	1,086.7	1,086.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	32%	33%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	70%	70%
Administrative Cost as a Percent of Total Expenditures	10%	10%
State Pass Rate of Education EXCET Exam	75.9%	75.9%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	47.7%	47.7%
Percent of Lower Division Courses Taught by Tenured Faculty	49.9%	49.9%
State Licensure Pass Rate of Engineering Graduates	65%	65%
State Licensure Pass Rate of Nursing Graduates	93%	93%
Dollar Value of External or Sponsored Research Funds (in Millions)	11	11
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 20,467,305	\$ 20,467,305
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 754,985	\$ 754,985
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 943,284	\$ 1,060,440
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 251,296	\$ 251,296
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	\$ 7,858	\$ 7,858
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,045,083	\$ 1,048,275
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 858,356	\$ 858,356
Indirect cost recovery for research related activities.		
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	<u>\$ 1,437,239</u>	<u>\$ 1,437,239</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u><u>\$ 25,765,406</u></u>	<u><u>\$ 25,885,754</u></u>

B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 5,469,847	\$ 5,469,847
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	<u>\$ 1,296,303</u>	<u>\$ 1,295,893</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u><u>\$ 6,766,150</u></u>	<u><u>\$ 6,765,740</u></u>

PRAIRIE VIEW A&M UNIVERSITY
(Continued)

C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: STUDENT NURSE STIPENDS	\$	192,444	\$	192,444
C.1.2. Strategy: HONORS PROGRAM	\$	100,000	\$	100,000
C.1.3. Strategy: TEXAS MEDICAL CENTER LIBRARY Texas Medical Center library assessment.	\$	27,267	\$	27,267
C.2.1. Strategy: AGRICULTURE RESEARCH CENTER Cooperative Agriculture Research Center.	\$	997,519	\$	997,519
C.3.1. Strategy: EXTENSION AND PUBLIC SERVICE	\$	1,923,081	\$	1,923,081
C.3.2. Strategy: JUVENILE CRIME PREVENTION CENTER Juvenile Crime Prevention Center. Estimated.	\$	1,000,000	\$	1,000,000
C.3.3. Strategy: COMMUNITY DEVELOPMENT	\$	150,000	\$	150,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	3,757,506	\$	3,757,505
Total, Goal C: SPECIAL ITEM SUPPORT	\$	8,147,817	\$	8,147,816

D. Goal: TEXAS COMMITMENT-OCR PRIORITY PLAN

Texas commitment - OCR Priority Plan.

D.1.1. Strategy: OCR PRIORITY PLAN	\$	12,350,000	\$	12,650,000 & UB
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Provide funding to meet the Texas commitment to enhance programs, systems, and the recruitment, retention, and graduation of students.

Grand Total, PRAIRIE VIEW A&M UNIVERSITY	\$	53,029,373	\$	53,449,310
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Method of Financing:

General Revenue Fund	\$	41,732,437	\$	42,125,345
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General Revenue Fund - Dedicated

Estimated Board Authorized Tuition Increases Account No. 704		90,017		90,017
Estimated Other Educational and General Income Account No. 770		10,206,919		10,233,948
Center for Study and Prevention of Juvenile Crime and Delinquency		1,000,000		1,000,000
Subtotal, General Revenue Fund - Dedicated	\$	11,296,936	\$	11,323,965

Total, Method of Financing	\$	53,029,373	\$	53,449,310
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2. Texas Commitment - OCR Priority Plan. Out of the funds appropriated above in D. Goal: Texas Commitment - OCR Priority Plan, the following items are included in the Priority Plan:

OCR Priority Plan Items	in millions	
	2002	2003
1. University College	\$1.20	\$1.20
2. Texas Institute for the Preservation of History and Culture	\$0.25	\$0.25
3. Student Development and Support Center	\$1.00	\$1.00
4. Honors Scholarships	\$0.80	\$0.80
5. Information Technology	\$0.80	\$0.80
6. Accreditation	\$0.20	\$0.20
7. College of Nursing	\$0.50	\$0.50

PRAIRIE VIEW A&M UNIVERSITY
(Continued)

8. College of Engineering	\$0.50	\$0.50
9. MS Accounting		\$0.30
10. MS/PhD Electrical Engineering	\$0.90	\$0.90
11. Enhance Educator Preparation	\$0.40	\$0.40
12. BS Construction Science	\$0.50	\$0.50
13. MS Architecture	\$0.50	\$0.50
14. PhD Educational Leadership	\$0.60	\$0.60
15. Four Endowed Chairs	\$1.00	\$1.00
16. MS Information Systems	\$0.70	\$0.70
17. MS Community Development	\$0.40	\$0.40
18. Community and Urban Rural Extension	\$0.20	\$0.20
19. Faculty Recruitment, Retention, and Development	\$1.50	\$1.50
20. MS Computer Science	<u>\$0.40</u>	<u>\$0.40</u>
TOTAL:	\$12.35	\$12.65 & UB

3. **OCR Priority Plan Reporting Requirements.** Prairie View A&M University shall work with the Texas A&M University System; and Prairie View A&M University and the Texas A&M University System shall work with the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board in order to establish a detailed plan to accomplish the goal and create benchmarks and performance measures to be adopted in accordance with the OCR Priority Plan for the above items by September 1, 2001, and shall report them semi-annually by December 31 and June 30 to the institution's Board of Regents, the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board. It is legislative intent that any funds not spent during the 2002–03 biennium shall be transferred to the 2004–05 biennium without any reduction in future funding for the Office of Civil Rights Priority Plan.
4. **Establishment of America's Promise School.** Out of the funds appropriated above Prairie View A& M University will jointly establish an America's Promise School with Waller Independent School District. The school will be a full service pre-kindergarten through fourth grade community-centered elementary school based around the America's Promise concept, which includes the following five promises: (1) an ongoing relationship with a caring adult/mentor; (2) safe places and structured activities before and after school; (3) a healthy start, including nutritional and health-related services; (4) students developing marketable skills through effective education; and (5) opportunities for the students to serve and give back to the community.
5. **OCR Multi-year Commitment.** It is the intent of the Legislature that the funding identified above in the OCR Priority Plan be continued as a multi-year commitment by the Legislature.

TARLETON STATE UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 36,355,917	\$ 36,446,507
Grand Total, TARLETON STATE UNIVERSITY	<u>\$ 36,355,917</u>	<u>\$ 36,446,507</u>

TARLETON STATE UNIVERSITY
(Continued)

Method of Financing:		
General Revenue Fund	\$ 27,710,839	\$ 27,798,803
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	230,000	230,000
Estimated Other Educational and General Income Account No. 770	8,415,078	8,417,704
Subtotal, General Revenue Fund - Dedicated	<u>\$ 8,645,078</u>	<u>\$ 8,647,704</u>
Total, Method of Financing	<u><u>\$ 36,355,917</u></u>	<u><u>\$ 36,446,507</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds		
	700.9	700.9
Number of Full-Time-Equivalent Positions (FTE)-Total	1,010.9	1,012.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	37.5%	37.5%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	66.8%	68%
Administrative Cost as a Percent of Total Expenditures	10%	10%
State Pass Rate of Education EXCET Exam	80.7%	80.7%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	61%	62%
Percent of Lower Division Courses Taught by Tenured Faculty	39%	40%
State Licensure Pass Rate of Nursing Graduates	93%	95%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.8	1.9
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 21,528,779	\$ 21,528,779
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 812,952	\$ 812,953
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 729,666	\$ 820,290
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 162,081	\$ 162,081
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	\$ 30,000	\$ 30,000
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,112,630	\$ 1,113,005
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 80,000	\$ 80,000
Indirect cost recovery for research related activities.		
A.1.8. Strategy: ORGANIZED ACTIVITIES	\$ 562,484	\$ 562,484
A.1.9. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	<u>\$ 1,115,601</u>	<u>\$ 1,115,601</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u><u>\$ 26,134,193</u></u>	<u><u>\$ 26,225,193</u></u>

TARLETON STATE UNIVERSITY
(Continued)

B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$	4,656,677
Educational and general space support.	\$	4,656,677
B.1.2. Strategy: TUITION REVENUE BOND		
RETIREMENT	\$	1,296,303
	\$	1,295,893
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	5,952,980
	\$	5,952,570
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: CENTRAL TEXAS CENTER	\$	25,000
University System Center - Central Texas.	\$	25,000
C.2.1. Strategy: ENVIRONMENTAL RESEARCH	\$	1,600,000
Institute for Applied Environmental Research.	\$	1,600,000
C.2.2. Strategy: AGRICULTURE CENTER	\$	375,000
Tarleton Agriculture Center.	\$	375,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	2,268,744
	\$	2,268,744
Total, Goal C: SPECIAL ITEM SUPPORT	\$	4,268,744
	\$	4,268,744
Grand Total, TARLETON STATE UNIVERSITY	\$	36,355,917
	\$	36,446,507
Method of Financing:		
General Revenue Fund	\$	27,710,839
	\$	27,798,803
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account		
No. 704	230,000	230,000
Estimated Other Educational and General Income		
Account No. 770	8,415,078	8,417,704
Subtotal, General Revenue Fund - Dedicated	\$	8,645,078
	\$	8,647,704
Total, Method of Financing	\$	36,355,917
	\$	36,446,507

2. **Bosque River Monitoring Project.** The Institute for Applied Environmental Research shall conduct water quality monitoring for the Bosque River. The institute shall coordinate the collection and reporting of data to conform with Texas Natural Resource Conservation Commission protocols. The institute shall report on the water quality in the Bosque River by July 1 and February 1 of each year to the commission. It is legislative intent that the water quality monitoring efforts of the Institute for Applied Environmental Research, Texas Natural Resource Conservation Commission, and other appropriate agencies and entities be cooperative and non-duplicative.

TEXAS A&M UNIVERSITY - CORPUS CHRISTI

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 45,407,096	\$ 45,767,589
Grand Total, TEXAS A&M UNIVERSITY - CORPUS CHRISTI	<u>\$ 45,407,096</u>	<u>\$ 45,767,589</u>
Method of Financing:		
General Revenue Fund	\$ 38,313,001	\$ 38,668,864
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	7,094,095	7,098,725
Total, Method of Financing	<u>\$ 45,407,096</u>	<u>\$ 45,767,589</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	733.6	733.6
Number of Full-Time-Equivalent Positions (FTE)-Total	1,016.0	1,016.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	38.5%	39%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	72.5%	73%
Administrative Cost as a Percent of Total Expenditures	13.5%	13%
State Pass Rate of Education EXCET Exam	64.2%	64.8%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	65.6%	65.6%
Percent of Lower Division Courses Taught by Tenured Faculty	48.5%	49%
State Licensure Pass Rate of Nursing Graduates	87%	88%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.8	1.9
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 19,631,892	\$ 19,631,892
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 802,738	\$ 802,738
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 572,299	\$ 643,379
A.1.4. Strategy: WORKERS' COMPENSATION		
INSURANCE	\$ 119,114	\$ 119,114
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION		
INSURANCE	\$ 11,617	\$ 11,617
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 990,444	\$ 991,109
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 86,625	\$ 86,625
Indirect cost recovery for research related activities.		
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE		
FUNDING	<u>\$ 385,534</u>	<u>\$ 682,793</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 22,600,263</u>	<u>\$ 22,969,267</u>

TEXAS A&M UNIVERSITY - CORPUS CHRISTI
(Continued)

B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$ 4,022,884	\$ 4,022,884
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 8,876,791	\$ 8,868,280
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 12,899,675</u>	<u>\$ 12,891,164</u>
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: SCHOOL NURSING PROGRAM School Nursing Program for Early Childhood Development Center.	\$ 350,000	\$ 350,000
C.1.2. Strategy: ENVIRONMENTAL CENTER Environmental Learning Center.	\$ 200,000	\$ 200,000
C.2.1. Strategy: COASTAL STUDIES Center for Coastal Studies.	\$ 303,964	\$ 303,964
C.2.2. Strategy: GULF OF MEXICO ENVIRONMENTAL LAB Gulf of Mexico Environmental Research Laboratory.	\$ 300,000	\$ 300,000
C.3.1. Strategy: WATER RESOURCES CENTER	\$ 75,245	\$ 75,245
C.3.2. Strategy: ART MUSEUM	\$ 358,522	\$ 358,522
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 8,319,427	\$ 8,319,427
Total, Goal C: SPECIAL ITEM SUPPORT	<u>\$ 9,907,158</u>	<u>\$ 9,907,158</u>
Grand Total, TEXAS A&M UNIVERSITY - CORPUS CHRISTI	<u>\$ 45,407,096</u>	<u>\$ 45,767,589</u>
Method of Financing:		
General Revenue Fund	\$ 38,313,001	\$ 38,668,864
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	7,094,095	7,098,725
Total, Method of Financing	<u>\$ 45,407,096</u>	<u>\$ 45,767,589</u>

2. **Art Museum Contingency.** Out of the funds appropriated above, \$263,609 in each year of the biennium for the Art Museum is contingent upon the Art Museum receiving at least \$527,218 each year from local gifts, grants, and donations for the purposes of the operations of the Art Museum. In the event that gifts, grants, or donations for each fiscal year total less than \$527,218, the appropriation in each fiscal year is reduced to an amount equal to one-half of the total gifts, grants, and donations received in that fiscal year.

TEXAS A&M UNIVERSITY - KINGSVILLE

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 41,009,009	\$ 39,738,814
Grand Total, TEXAS A&M UNIVERSITY - KINGSVILLE	<u>\$ 41,009,009</u>	<u>\$ 39,738,814</u>
Method of Financing:		
General Revenue Fund	\$ 32,307,340	\$ 31,031,802
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	8,701,669	8,707,012
Total, Method of Financing	<u>\$ 41,009,009</u>	<u>\$ 39,738,814</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	784.5	800.0
Number of Full-Time-Equivalent Positions (FTE)-Total	1,129.5	1,129.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	27%	30%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	65%	65%
Administrative Cost as a Percent of Total Expenditures	12.4%	12.4%
State Pass Rate of Education EXCET Exam	25%	25.2%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	50.1%	50.1%
Percent of Lower Division Courses Taught by Tenured Faculty	57%	58%
State Licensure Pass Rate of Engineering Graduates	70%	70%
Dollar Value of External or Sponsored Research Funds (in		
Millions)	7.3	7.4
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 18,567,474	\$ 18,567,474
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 769,042	\$ 769,042
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 813,798	\$ 914,872
A.1.4. Strategy: WORKERS' COMPENSATION		
INSURANCE	\$ 229,262	\$ 229,262
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION		
INSURANCE	\$ 2,396	\$ 2,396
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 893,556	\$ 894,249
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 321,712	\$ 321,712
Indirect cost recovery for research related		
activities.		
A.1.8. Strategy: ORGANIZED ACTIVITIES	\$ 138,358	\$ 138,358
A.1.9. Strategy: FORMULA HOLD HARMLESS	\$ 673,944	\$ 673,944
A.1.10. Strategy: CAPITAL EQUITY & EXCELLENCE		
FUNDING	<u>\$ 371,784</u>	<u>\$ 658,442</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 22,781,326</u>	<u>\$ 23,169,751</u>

TEXAS A&M UNIVERSITY - KINGSVILLE
(Continued)

B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 4,369,321	\$ 4,369,321
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND		
RETIREMENT	\$ 2,688,701	\$ 2,655,081
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 7,058,022	\$ 7,024,402
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: PHD IN ENGINEERING	\$ 275,000	\$ UB
C.1.2. Strategy: PHARMACY SCHOOL START-UP	\$ 350,000	\$ UB
C.1.3. Strategy: SYSTEM CENTER - PALO ALTO	\$ 2,600,000	\$ 1,600,000
		& UB
TAMUK System Center - Palo Alto.		
C.2.1. Strategy: CITRUS CENTER	\$ 846,844	\$ 846,844
C.2.2. Strategy: WILDLIFE RESEARCH INSTITUTE	\$ 315,428	\$ 315,428
C.3.1. Strategy: JOHN E. CONNOR MUSEUM	\$ 31,121	\$ 31,121
C.3.2. Strategy: SOUTH TEXAS ARCHIVES	\$ 125,000	\$ 125,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 6,626,268	\$ 6,626,268
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 11,169,661	\$ 9,544,661
Grand Total, TEXAS A&M UNIVERSITY - KINGSVILLE	\$ 41,009,009	\$ 39,738,814
Method of Financing:		
General Revenue Fund	\$ 32,307,340	\$ 31,031,802
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	8,701,669	8,707,012
Total, Method of Financing	\$ 41,009,009	\$ 39,738,814

TEXAS A&M INTERNATIONAL UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 33,279,566	\$ 33,388,991
Grand Total, TEXAS A&M INTERNATIONAL UNIVERSITY	\$ 33,279,566	\$ 33,388,991
Method of Financing:		
General Revenue Fund	\$ 30,169,186	\$ 30,273,839
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	3,110,380	3,115,152
Total, Method of Financing	\$ 33,279,566	\$ 33,388,991

TEXAS A&M INTERNATIONAL UNIVERSITY
(Continued)

Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	451.0	451.0
Number of Full-Time-Equivalent Positions (FTE)-Total	516.0	521.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS			
Provide instructional and operations support.			
Outcome (Results/Impact):			
Percent of First-time, Full-time, Degree-seeking Freshmen			
Who Earn a Baccalaureate Degree within Six Academic Years	22%		25%
Retention Rate of First-time, Full-time, Degree-seeking			
Freshmen Students after One Academic Year	68%		70%
Administrative Cost as a Percent of Total Expenditures	19%		19%
State Pass Rate of Education EXCET Exam	73%		75%
Percent of Baccalaureate Graduates Who Are First Generation			
College Graduates	74%		74%
Percent of Lower Division Courses Taught by Tenured Faculty	68%		70%
Dollar Value of External or Sponsored Research Funds (in Millions)	.25		.25
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 8,187,717	\$	8,187,717
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 359,342	\$	359,343
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 170,574	\$	191,759
A.1.4. Strategy: WORKERS' COMPENSATION			
INSURANCE	\$ 42,330	\$	42,330
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION			
INSURANCE	\$ 319	\$	319
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 366,464	\$	367,096
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 8,161	\$	8,161
Indirect cost recovery for research related activities.			
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE			
FUNDING	\$ 185,891	\$	329,219
Capital Equity and Excellence funding.			
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 9,320,798	\$	9,485,944
B. Goal: INFRASTRUCTURE SUPPORT			
Provide infrastructure support.			
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 2,571,103	\$	2,571,103
Educational and general space support.			
B.1.2. Strategy: TUITION REVENUE BOND			
RETIREMENT	\$ 12,173,674	\$	12,117,953
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 14,744,777	\$	14,689,056
C. Goal: SPECIAL ITEM SUPPORT			
Provide special item support.			
C.1.1. Strategy: PHD PROGRAM IN BUSINESS	\$ 1,750,000	\$	1,750,000

TEXAS A&M INTERNATIONAL UNIVERSITY
(Continued)

C.2.1. Strategy: INTERNATIONAL TRADE INSTITUTE Institute for International Trade.	\$ 91,654	\$ 91,654
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 7,372,337	\$ 7,372,337
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 9,213,991	\$ 9,213,991
Grand Total, TEXAS A&M INTERNATIONAL UNIVERSITY	\$ 33,279,566	\$ 33,388,991
Method of Financing:		
General Revenue Fund	\$ 30,169,186	\$ 30,273,839
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	3,110,380	3,115,152
Total, Method of Financing	\$ 33,279,566	\$ 33,388,991

WEST TEXAS A&M UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 33,396,547	\$ 33,782,316
Grand Total, WEST TEXAS A&M UNIVERSITY	\$ 33,396,547	\$ 33,782,316
Method of Financing:		
General Revenue Fund	\$ 25,747,619	\$ 26,122,339
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	150,000	150,000
Estimated Other Educational and General Income Account No. 770	7,498,928	7,509,977
Subtotal, General Revenue Fund - Dedicated	\$ 7,648,928	\$ 7,659,977
Total, Method of Financing	\$ 33,396,547	\$ 33,782,316
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	608.5	608.5
Number of Full-Time-Equivalent Positions (FTE)-Total	809.5	809.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

WEST TEXAS A&M UNIVERSITY
(Continued)

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	31%	32%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	71.8%	73.1%
Administrative Cost as a Percent of Total Expenditures	8.1%	8.1%
State Pass Rate of Education EXCET Exam	61.3%	61.9%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	52.3%	52.3%
Percent of Lower Division Courses Taught by Tenured Faculty	45.2%	45.2%
State Licensure Pass Rate of Nursing Graduates		
	95%	95%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 18,837,341	\$ 18,837,341
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 738,349	\$ 738,349
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 884,033	\$ 993,830
A.1.4. Strategy: WORKERS' COMPENSATION		
INSURANCE	\$ 177,874	\$ 177,874
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION		
INSURANCE	\$ 1,786	\$ 1,786
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,035,894	\$ 1,037,498
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 90,000	\$ 90,000
Indirect cost recovery for research related activities.		
A.1.8. Strategy: ORGANIZED ACTIVITIES	\$ 91,885	\$ 91,885
A.1.9. Strategy: CAPITAL EQUITY & EXCELLENCE		
FUNDING	\$ 383,847	\$ 679,806
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 22,241,009	\$ 22,648,369
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 4,022,116	\$ 4,022,116
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND		
RETIREMENT	\$ 873,340	\$ 869,649
B.1.3. Strategy: SKILES ACT REVENUE BOND		
RETIREMENT	\$ 85,200	\$ 85,200
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 4,980,656	\$ 4,976,965
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: KILLGORE RESEARCH CENTER	\$ 50,034	\$ 50,034
C.1.2. Strategy: WIND ENERGY RESEARCH	\$ 110,000	\$ 120,000
C.1.3. Strategy: ENVIRONMENTAL RESEARCH	\$ 1,000,000	\$ 1,000,000
C.1.4. Strategy: INTEGRATED PEST MANAGEMENT	\$ 150,000	\$ 150,000
Integrated pest management.		
C.2.1. Strategy: PANHANDLE-PLAINS MUSEUM	\$ 629,731	\$ 601,831
Panhandle-Plains Historical Museum.		
C.2.2. Strategy: RURAL AGRI-BUSINESS	\$ 750,000	\$ 750,000
Rural agri-business incubator and accelerator.		
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 3,485,117	\$ 3,485,117
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 6,174,882	\$ 6,156,982
Grand Total, WEST TEXAS A&M UNIVERSITY	\$ 33,396,547	\$ 33,782,316

WEST TEXAS A&M UNIVERSITY
(Continued)

Method of Financing:		
General Revenue Fund	\$ 25,747,619	\$ 26,122,339
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	150,000	150,000
Estimated Other Educational and General Income Account No. 770	7,498,928	7,509,977
Subtotal, General Revenue Fund - Dedicated	<u>\$ 7,648,928</u>	<u>\$ 7,659,977</u>
Total, Method of Financing	<u><u>\$ 33,396,547</u></u>	<u><u>\$ 33,782,316</u></u>

2. **Rural Agri-Business Incubator and Accelerator.** Included in the appropriation above to West Texas A&M University is \$750,000 in fiscal year 2002 and \$750,000 in fiscal year 2003 for the Rural Agri-Business Incubator and Accelerator, or its equivalent, due to special and general provisions of this Act, contingent upon certification by the Comptroller of Public Accounts that increased activity by the Rural Agri-Business Incubator and Accelerator will generate at least \$1,500,000 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Rural Agri-Business Incubator and Accelerator be used to attract federal funds on a dollar-for-dollar basis.

TEXAS A&M UNIVERSITY - COMMERCE

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 37,714,320	\$ 38,405,283
Grand Total, TEXAS A&M UNIVERSITY - COMMERCE	<u><u>\$ 37,714,320</u></u>	<u><u>\$ 38,405,283</u></u>
Method of Financing:		
General Revenue Fund	\$ 29,227,725	\$ 29,913,432
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	905,000	905,000
Estimated Other Educational and General Income Account No. 770	7,581,595	7,586,851
Subtotal, General Revenue Fund - Dedicated	<u>\$ 8,486,595</u>	<u>\$ 8,491,851</u>
Total, Method of Financing	<u><u>\$ 37,714,320</u></u>	<u><u>\$ 38,405,283</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	835.8	835.8
Number of Full-Time-Equivalent Positions (FTE)-Total	1,123.7	1,123.7

TEXAS A&M UNIVERSITY - COMMERCE
(Continued)

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.			
A. Goal: INSTRUCTION/OPERATIONS			
Provide instructional and operations support.			
Outcome (Results/Impact):			
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	35.6%		35.6%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	72.4%		73.7%
Administrative Cost as a Percent of Total Expenditures	10.3%		10.3%
State Pass Rate of Education EXCET Exam	85.7%		85.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	44%		44%
Percent of Lower Division Courses Taught by Tenured Faculty	48%		49%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 25,245,397	\$	25,245,397
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 721,080	\$	721,080
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 961,704	\$	1,081,148
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 127,880	\$	131,716
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	\$ 31,937	\$	32,704
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,123,043	\$	1,123,782
A.1.7. Strategy: INDIRECT COST RECOVERY	\$ 40,000	\$	40,000
Indirect cost recovery for research related activities.			
A.1.8. Strategy: ORGANIZED ACTIVITIES	\$ 127,000	\$	127,000
A.1.9. Strategy: FORMULA HOLD HARMLESS	\$ 456,592	\$	456,592
A.1.10. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 442,301	\$	783,329
Capital Equity and Excellence funding.			
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 29,276,934</u>	<u>\$</u>	<u>29,742,748</u>
B. Goal: INFRASTRUCTURE SUPPORT			
Provide infrastructure support.			
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 4,441,438	\$	4,441,438
Educational and general space support.			
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 429,000	\$	429,500
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 96,000	\$	96,000
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 4,966,438</u>	<u>\$</u>	<u>4,966,938</u>
C. Goal: SPECIAL ITEM SUPPORT			
Provide special item support.			
C.1.1. Strategy: INDUSTRIAL ENGINEERING PROGRAM	\$ 375,351	\$	600,000
Bachelor of Science Degree Program in Industrial Engineering.			
C.2.1. Strategy: EDUCATIONAL CONSORTIUM	\$ 750,257	\$	750,257
Northeast Texas Educational Partnership Consortium.			
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 2,345,340	\$	2,345,340
Total, Goal C: SPECIAL ITEM SUPPORT	<u>\$ 3,470,948</u>	<u>\$</u>	<u>3,695,597</u>
Grand Total, TEXAS A&M UNIVERSITY - COMMERCE	<u>\$ 37,714,320</u>	<u>\$</u>	<u>38,405,283</u>

TEXAS A&M UNIVERSITY - COMMERCE
(Continued)

Method of Financing:		
General Revenue Fund	\$ 29,227,725	\$ 29,913,432
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	905,000	905,000
Estimated Other Educational and General Income Account No. 770	7,581,595	7,586,851
Subtotal, General Revenue Fund - Dedicated	<u>\$ 8,486,595</u>	<u>\$ 8,491,851</u>
Total, Method of Financing	<u><u>\$ 37,714,320</u></u>	<u><u>\$ 38,405,283</u></u>

TEXAS A&M UNIVERSITY - TEXARKANA

	For the Years Ending	
	August 31,	August 31,
	<u>2002</u>	<u>2003</u>
1. Educational and General State Support	\$ 9,459,572	\$ 9,554,055
Grand Total, TEXAS A&M UNIVERSITY - TEXARKANA	<u><u>\$ 9,459,572</u></u>	<u><u>\$ 9,554,055</u></u>
Method of Financing:		
General Revenue Fund	\$ 8,406,870	\$ 8,499,013
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	97,560	97,560
Estimated Other Educational and General Income Account No. 770	955,142	957,482
Subtotal, General Revenue Fund - Dedicated	<u>\$ 1,052,702</u>	<u>\$ 1,055,042</u>
Total, Method of Financing	<u><u>\$ 9,459,572</u></u>	<u><u>\$ 9,554,055</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	148.9	148.9
Number of Full-Time-Equivalent Positions (FTE)-Total	178.9	178.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.
- A. Goal:** INSTRUCTION/OPERATIONS
Provide instructional and operations support.
- Outcome (Results/Impact):**
- | | | |
|---|-------|-------|
| Administrative Cost as a Percent of Total Expenditures | 12% | 12% |
| State Pass Rate of Education EXCET Exam | 83.7% | 83.7% |
| Retention Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only) | 90% | 90% |

TEXAS A&M UNIVERSITY - TEXARKANA
(Continued)

A.1.1. Strategy: OPERATIONS SUPPORT	\$	3,111,118	\$	3,111,118
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$	114,217	\$	114,218
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	65,249	\$	73,353
A.1.4. Strategy: WORKERS' COMPENSATION INSURANCE	\$	18,562	\$	18,562
A.1.5. Strategy: UNEMPLOYMENT COMPENSATION INSURANCE	\$	3,712	\$	3,712
A.1.6. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	145,576	\$	145,911
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$	21,853	\$	21,853
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$	<u>107,342</u>	\$	<u>190,106</u>
Capital Equity and Excellence funding.				
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>3,587,629</u>	\$	<u>3,678,833</u>
B. Goal: INFRASTRUCTURE SUPPORT Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$	1,469,556	\$	1,469,556
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	343,748	\$	347,027
B.1.3. Strategy: LEASE OF FACILITIES	\$	<u>2,396</u>	\$	<u>2,396</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	<u>1,815,700</u>	\$	<u>1,818,979</u>
C. Goal: SPECIAL ITEM SUPPORT Provide special item support.				
C.1.1. Strategy: ACADEMIC PROGRAMS-NURSING & BIOLOGY	\$	490,000	\$	490,000
Academic programs - nursing and biology.				
C.2.1. Strategy: NE TEXAS EDUCATION PARTNERSHIP Northeast Texas Education Partnership.	\$	87,628	\$	87,628
C.2.2. Strategy: PROGRAM DEVELOPMENT Program development.	\$	1,218,500	\$	1,218,500
C.3.1. Strategy: TRANSITION FUNDING	\$	175,739	\$	175,739
C.3.2. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>2,084,376</u>	\$	<u>2,084,376</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>4,056,243</u>	\$	<u>4,056,243</u>
Grand Total, TEXAS A&M UNIVERSITY - TEXARKANA	\$	<u><u>9,459,572</u></u>	\$	<u><u>9,554,055</u></u>
Method of Financing: General Revenue Fund	\$	8,406,870	\$	8,499,013
<u>General Revenue Fund - Dedicated</u> Estimated Board Authorized Tuition Increases Account No. 704		97,560		97,560
Estimated Other Educational and General Income Account No. 770		955,142		957,482
Subtotal, General Revenue Fund - Dedicated	\$	<u>1,052,702</u>	\$	<u>1,055,042</u>
Total, Method of Financing	\$	<u><u>9,459,572</u></u>	\$	<u><u>9,554,055</u></u>

UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION

	For the Years Ending	
	August 31,	August 31,
	2002	2003
Out of the General Revenue Fund:		
1. Educational and General State Support	\$ 2,538,729	\$ 2,538,730
Grand Total, UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION	<u>\$ 2,538,729</u>	<u>\$ 2,538,730</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	74.0	74.0
Number of Full-Time-Equivalent Positions (FTE)-Total	173.4	173.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

Out of the General Revenue Fund:

A. Goal: INSTRUCTION/OPERATIONS Provide instructional and operations support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	\$ 1,838,729	\$ 1,838,730
B. Goal: SPECIAL ITEM SUPPORT Provide special item support.		
B.1.1. Strategy: NASA PROGRAMS High School Cooperative Education Program with NASA and Technology Outreach Program.	\$ 700,000	\$ 700,000
Grand Total, UNIVERSITY OF HOUSTON SYSTEM ADMINISTRATION	<u>\$ 2,538,729</u>	<u>\$ 2,538,730</u>

2. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$150,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

UNIVERSITY OF HOUSTON

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 181,943,742	\$ 182,718,828
Grand Total, UNIVERSITY OF HOUSTON	<u>\$ 181,943,742</u>	<u>\$ 182,718,828</u>
Method of Financing:		
General Revenue Fund	\$ 128,458,393	\$ 129,117,622
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	8,883,694	8,883,694
Estimated Other Educational and General Income Account No. 770	44,601,655	44,717,512
Subtotal, General Revenue Fund - Dedicated	<u>\$ 53,485,349</u>	<u>\$ 53,601,206</u>
Total, Method of Financing	<u>\$ 181,943,742</u>	<u>\$ 182,718,828</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	3,433.1	3,433.1
Number of Full-Time-Equivalent Positions (FTE)-Total	5,379.0	5,379.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	36%	36.5%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	82.8%	84.3%
Administrative Cost as a Percent of Total Expenditures	10%	10%
Pass Rate of Education EXCET Exam	89.5%	89.5%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	37.1%	37.1%
Percent of Lower Division Courses Taught by Tenured Faculty	46.3%	46.3%
State Licensure Pass Rate of Law Graduates	91.7%	91.8%
State Licensure Pass Rate of Engineering Graduates	87.2%	87.5%
State Licensure Pass Rate of Pharmacy Graduates	98.9%	98.9%
Dollar Value of External or Sponsored Research Funds (in Millions)	28.2	29.4
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 120,327,858	\$ 120,327,858
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 3,823,094	\$ 3,823,095
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 3,530,577	\$ 3,969,075
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 4,468,832	\$ 4,480,231

UNIVERSITY OF HOUSTON
(Continued)

A.1.5. Strategy: INDIRECT COST RECOVERY Indirect cost recovery for research related activities.	\$	3,336,678	\$	3,336,678
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$	1,245,000	\$	1,245,000
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING Capital Equity and Excellence funding.	\$	<u>2,716,529</u>	\$	<u>4,811,060</u>
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>139,448,568</u>	\$	<u>141,992,997</u>
B. Goal: INFRASTRUCTURE SUPPORT Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$	24,317,729	\$	24,317,729
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	2,697,914	\$	928,571
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$	<u>388,320</u>	\$	<u>388,320</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	<u>27,403,963</u>	\$	<u>25,634,620</u>
C. Goal: SPECIAL ITEM SUPPORT Provide special item support.				
C.2.1. Strategy: LEARNING AND COMPUTATION CENTER	\$	2,328,789	\$	2,328,789
C.2.2. Strategy: SPACE EXPLORATION Houston Partnership for Space Exploration.	\$	421,037	\$	421,037
C.2.3. Strategy: COMMERCIAL DEVELOPMENT OF SPACE Center for Commercial Development of Space: Space Vacuum Epitaxy Center.	\$	482,288	\$	482,288
C.2.4. Strategy: SUPERCONDUCTIVITY CENTER	\$	4,340,000	\$	4,340,000
C.3.1. Strategy: SMALL BUSINESS DEVELOPMENT University of Houston Small Business Development Center.	\$	2,769,500	\$	2,769,500
C.3.2. Strategy: HEALTH LAW & POLICY INSTITUTE Health Law and Policy Institute.	\$	350,000	\$	350,000
C.3.3. Strategy: CENTER FOR PUBLIC POLICY	\$	300,000	\$	300,000
C.3.4. Strategy: PARTNERSHIPS-SUPPORT PUBLIC SCHOOLS Partnerships to Support Public Schools.	\$	1,647,215	\$	1,647,215
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>2,452,382</u>	\$	<u>2,452,382</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>15,091,211</u>	\$	<u>15,091,211</u>
Grand Total, UNIVERSITY OF HOUSTON	\$	<u><u>181,943,742</u></u>	\$	<u><u>182,718,828</u></u>
Method of Financing:				
General Revenue Fund	\$	128,458,393	\$	129,117,622

UNIVERSITY OF HOUSTON
(Continued)

<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	8,883,694	8,883,694
Estimated Other Educational and General Income Account No. 770	44,601,655	44,717,512
Subtotal, General Revenue Fund - Dedicated	<u>\$ 53,485,349</u>	<u>\$ 53,601,206</u>
Total, Method of Financing	<u><u>\$ 181,943,742</u></u>	<u><u>\$ 182,718,828</u></u>

2. **Small Business Development Center.** Included in the appropriation above to the University of Houston is \$2,269,767 in each year of the biennium for the Small Business Development Center, or its equivalent due to special and general provisions of this Act, contingent upon certification by the Comptroller of Public Accounts that increased activity by the Small Business Development Center will generate at least \$4,539,534 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Small Business Development Center be used by the center to attract federal funds on a dollar-for-dollar basis.

UNIVERSITY OF HOUSTON - CLEAR LAKE

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 36,120,897	\$ 36,271,437
Grand Total, UNIVERSITY OF HOUSTON - CLEAR LAKE	<u><u>\$ 36,120,897</u></u>	<u><u>\$ 36,271,437</u></u>
Method of Financing:		
General Revenue Fund	\$ 26,465,330	\$ 26,596,001
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	1,750,937	1,750,937
Estimated Other Educational and General Income Account No. 770	7,904,630	7,924,499
Subtotal, General Revenue Fund - Dedicated	<u>\$ 9,655,567</u>	<u>\$ 9,675,436</u>
Total, Method of Financing	<u><u>\$ 36,120,897</u></u>	<u><u>\$ 36,271,437</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	561.5	561.5
Number of Full-Time-Equivalent Positions (FTE)-Total	746.5	754.5

UNIVERSITY OF HOUSTON - CLEAR LAKE
(Continued)

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Administrative Cost as a Percent of Total Expenditures	16%	16%
State Pass Rate of Education EXCET Exam	78.7%	78.7%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	55%	53%
Dollar Value of External or Sponsored Research Funds (in Millions)	5	5
Retention Rate of First-time, Full-time, Degree-seeking Transfer Students after One Academic Year (Upper-level Institutions Only)	85.2%	85.2%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 26,644,034	\$ 26,644,034
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 716,810	\$ 716,811
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 516,200	\$ 580,312
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 870,158	\$ 872,013
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 63,322	\$ 63,322
Indirect cost recovery for research related activities.		
A.1.6. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 402,932	\$ 713,606
Capital Equity and Excellence funding.		

Total, Goal A: INSTRUCTION/OPERATIONS \$ 29,213,456 \$ 29,590,098

B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.

B.1.1. Strategy: E&G SPACE SUPPORT	\$ 4,005,740	\$ 4,005,740
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 226,102	\$ 0
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 97,000	\$ 97,000
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 4,328,842	\$ 4,102,740

C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: HIGH TECHNOLOGIES LABORATORY	\$ 69,229	\$ 69,229
C.1.2. Strategy: ENVIRONMENTAL STUDIES PARTNERSHIP	\$ 500,001	\$ 500,001
Houston Partnership for Environmental Studies.		
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 2,009,369	\$ 2,009,369
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 2,578,599	\$ 2,578,599

Grand Total, UNIVERSITY OF HOUSTON - CLEAR LAKE \$ 36,120,897 \$ 36,271,437

UNIVERSITY OF HOUSTON - CLEAR LAKE
(Continued)

Method of Financing:

General Revenue Fund	\$ 26,465,330	\$ 26,596,001
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	1,750,937	1,750,937
Estimated Other Educational and General Income Account No. 770	7,904,630	7,924,499
Subtotal, General Revenue Fund - Dedicated	<u>\$ 9,655,567</u>	<u>\$ 9,675,436</u>
Total, Method of Financing	<u><u>\$ 36,120,897</u></u>	<u><u>\$ 36,271,437</u></u>

UNIVERSITY OF HOUSTON - DOWNTOWN

	For the Years Ending	
	August 31, <u>2002</u>	August 31, <u>2003</u>
1. Educational and General State Support	\$ 29,806,276	\$ 30,040,532
Grand Total, UNIVERSITY OF HOUSTON - DOWNTOWN	<u><u>\$ 29,806,276</u></u>	<u><u>\$ 30,040,532</u></u>
Method of Financing:		
General Revenue Fund	\$ 20,584,406	\$ 20,800,235
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	8,100	8,100
Estimated Other Educational and General Income Account No. 770	9,213,770	9,232,197
Subtotal, General Revenue Fund - Dedicated	<u>\$ 9,221,870</u>	<u>\$ 9,240,297</u>
Total, Method of Financing	<u><u>\$ 29,806,276</u></u>	<u><u>\$ 30,040,532</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	563.4	563.4
Number of Full-Time-Equivalent Positions (FTE)-Total	758.6	766.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

UNIVERSITY OF HOUSTON - DOWNTOWN
(Continued)

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	19.16%	21.56%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	69.4%	70.6%
Administrative Cost as a Percent of Total Expenditures	17.6%	17.6%
State Pass Rate of Education EXCET Exam	84.2%	84.2%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	67.2%	67.2%
Percent of Lower Division Courses Taught by Tenured Faculty	43.05%	44.77%
Dollar Value of External or Sponsored Research Funds (in Millions)		
	.9	1.03
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 16,546,663	\$ 16,546,663
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 705,548	\$ 705,548
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 593,999	\$ 667,774
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,130,585	\$ 1,132,895
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 72,362	\$ 72,362
Indirect cost recovery for research related activities.		
A.1.6. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 569,907	\$ 1,009,324
Capital Equity and Excellence funding.		

Total, Goal A: INSTRUCTION/OPERATIONS	\$ 19,619,064	\$ 20,134,566
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B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 4,324,883	\$ 4,324,883
Educational and general space.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 2,722,129	\$ 2,440,883
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 118,800	\$ 118,800
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 7,165,812	\$ 6,884,566

C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.		
C.1.1. Strategy: COMMUNITY DEVELOPMENT PROJECT	\$ 400,000	\$ 400,000
C.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 2,621,400	\$ 2,621,400
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 3,021,400	\$ 3,021,400

Grand Total, UNIVERSITY OF HOUSTON - DOWNTOWN	\$ 29,806,276	\$ 30,040,532
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Method of Financing:

General Revenue Fund	\$ 20,584,406	\$ 20,800,235
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account		
No. 704	8,100	8,100

UNIVERSITY OF HOUSTON - DOWNTOWN
(Continued)

Estimated Other Educational and General Income Account No. 770	9,213,770	9,232,197
Subtotal, General Revenue Fund - Dedicated	\$ 9,221,870	\$ 9,240,297
Total, Method of Financing	\$ 29,806,276	\$ 30,040,532

UNIVERSITY OF HOUSTON - VICTORIA

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 11,546,098	\$ 11,667,904
Grand Total, UNIVERSITY OF HOUSTON - VICTORIA	\$ 11,546,098	\$ 11,667,904
Method of Financing:		
General Revenue Fund	\$ 10,110,078	\$ 10,230,933
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	338,747	338,747
Estimated Other Educational and General Income Account No. 770	1,097,273	1,098,224
Subtotal, General Revenue Fund - Dedicated	\$ 1,436,020	\$ 1,436,971
Total, Method of Financing	\$ 11,546,098	\$ 11,667,904
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	169.5	169.5
Number of Full-Time-Equivalent Positions (FTE)-Total	196.5	197.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.
- A. Goal:** INSTRUCTION/OPERATIONS
Provide instructional and operations support.
- Outcome (Results/Impact):**
- | | | |
|---|-------|-------|
| Administrative Cost as a Percent of Total Expenditures | 13.2% | 13.2% |
| State Pass Rate of Education EXCET Exam | 78.4% | 78.4% |
| Retention Rate of First-time, Full-time, Degree-seeking
Other Transfer Students after One Academic Year
(Upper-level Institutions Only) | 90.4% | 90.4% |

UNIVERSITY OF HOUSTON - VICTORIA
(Continued)

A.1.1. Strategy: OPERATIONS SUPPORT	\$	5,190,036	\$	5,190,036
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$	160,235	\$	160,235
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	94,616	\$	106,367
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	226,087	\$	226,245
A.1.5. Strategy: INDIRECT COST RECOVERY	\$	3,512	\$	3,512
Indirect cost recovery for research related activities.				
A.1.6. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$	<u>173,417</u>	\$	<u>307,128</u>
Capital Equity and Excellence funding.				
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>5,847,903</u>	\$	<u>5,993,523</u>
B. Goal: INFRASTRUCTURE SUPPORT				
Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT	\$	1,858,823	\$	1,858,823
Educational and general space support.				
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	1,506,218	\$	1,482,404
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$	<u>23,780</u>	\$	<u>23,780</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	<u>3,388,821</u>	\$	<u>3,365,007</u>
C. Goal: SPECIAL ITEM SUPPORT				
Provide special item support.				
C.1.1. Strategy: REGIONAL OUTREACH CENTER	\$	300,000	\$	300,000
Center for Regional Outreach.				
C.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>2,009,374</u>	\$	<u>2,009,374</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>2,309,374</u>	\$	<u>2,309,374</u>
Grand Total, UNIVERSITY OF HOUSTON - VICTORIA				
	\$	<u><u>11,546,098</u></u>	\$	<u><u>11,667,904</u></u>
Method of Financing:				
General Revenue Fund	\$	10,110,078	\$	10,230,933
<u>General Revenue Fund - Dedicated</u>				
Estimated Board Authorized Tuition Increases Account No. 704		338,747		338,747
Estimated Other Educational and General Income Account No. 770		1,097,273		1,098,224
Subtotal, General Revenue Fund - Dedicated	\$	<u>1,436,020</u>	\$	<u>1,436,971</u>
Total, Method of Financing	\$	<u><u>11,546,098</u></u>	\$	<u><u>11,667,904</u></u>

MIDWESTERN STATE UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 23,972,949	\$ 24,148,850
Grand Total, MIDWESTERN STATE UNIVERSITY	<u><u>\$ 23,972,949</u></u>	<u><u>\$ 24,148,850</u></u>
Method of Financing:		
General Revenue Fund	\$ 17,545,197	\$ 17,714,674
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	93,229	93,229
Estimated Other Educational and General Income Account No. 770	6,334,523	6,340,947
Subtotal, General Revenue Fund - Dedicated	<u><u>\$ 6,427,752</u></u>	<u><u>\$ 6,434,176</u></u>
Total, Method of Financing	<u><u>\$ 23,972,949</u></u>	<u><u>\$ 24,148,850</u></u>
Number of Full-Time-Equivalent Positions (FTE)-		
Appropriated Funds	518.0	518.0
Number of Full-Time-Equivalent Positions (FTE)-Total	666.0	667.0
Supplemental Appropriations Made in Riders:	\$ 10,000	\$ 3,000

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	32%	33%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	73.1%	74.5%
Administrative Cost as a Percent of Total Expenditures	9.2%	9.2%
State Pass Rate of Education EXCET Exam	93.2%	93.2%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	35%	35%
Percent of Lower Division Courses Taught by Tenured Faculty	60.1%	61%
State Licensure Pass Rate of Nursing Graduates	87.45%	87.6%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 14,354,696	\$ 14,354,696
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 650,665	\$ 650,666
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 417,105	\$ 468,909
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 874,090	\$ 874,981
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 25,601	\$ 25,601
Indirect cost recovery for research related activities.		

MIDWESTERN STATE UNIVERSITY
(Continued)

A.1.6. Strategy: FORMULA HOLD HARMLESS	\$	569,396	\$	569,396
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$	<u>314,459</u>	\$	<u>556,916</u>
Capital Equity and Excellence funding.				
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>17,206,012</u>	\$	<u>17,501,165</u>
B. Goal: INFRASTRUCTURE SUPPORT				
Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT	\$	3,454,253	\$	3,454,253
Educational and general space support.				
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	<u>698,200</u>	\$	<u>698,948</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	<u>4,152,453</u>	\$	<u>4,153,201</u>
C. Goal: SPECIAL ITEM SUPPORT				
Provide special item support.				
C.1.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	\$	100,000	\$	100,000
C.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>2,514,484</u>	\$	<u>2,394,484</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>2,614,484</u>	\$	<u>2,494,484</u>
Grand Total, MIDWESTERN STATE UNIVERSITY	\$	<u><u>23,972,949</u></u>	\$	<u><u>24,148,850</u></u>
Method of Financing:				
General Revenue Fund	\$	17,545,197	\$	17,714,674
<u>General Revenue Fund - Dedicated</u>				
Estimated Board Authorized Tuition Increases Account No. 704		93,229		93,229
Estimated Other Educational and General Income Account No. 770		6,334,523		6,340,947
Subtotal, General Revenue Fund - Dedicated	\$	<u>6,427,752</u>	\$	<u>6,434,176</u>
Total, Method of Financing	\$	<u><u>23,972,949</u></u>	\$	<u><u>24,148,850</u></u>

2. **Appropriation of Special Mineral Fund.** The balance of funds on hand for the year ending August 31, 2001 (estimated to be \$7,000), in the Midwestern State University Special Mineral Fund No. 412 and any income during the biennium beginning September 1, 2001, deposited to that fund are hereby appropriated to Midwestern State University for the general operations of the university. Mineral Funds estimated to be \$3,000 in 2002 and \$3,000 in 2003.
3. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$25,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

MIDWESTERN STATE UNIVERSITY
(Continued)

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

4. **Small Business Development Center.** Included in the appropriation above to Midwestern State University is \$100,000 in fiscal year 2002 and \$100,000 in fiscal year 2003 for the Small Business Development Center, or its equivalent due to special and general provisions of this Act, contingent upon certification by the Comptroller of Public Accounts that increased activity by the Small Business Development Center will generate at least \$200,000 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Small Business Development Center be used by the center to attract federal funds on a dollar-for-dollar basis.

UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION

	For the Years Ending	
	August 31,	August 31,
	2002	2003
Out of the General Revenue Fund:		
1. Educational and General State Support	\$ 100,000	\$ 100,000
Grand Total , UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION	<u>\$ 100,000</u>	<u>\$ 100,000</u>

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

Out of the General Revenue Fund:

A. **Goal:** INSTRUCTION/OPERATIONS

Provide instructional and operations support.

A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	\$ 100,000	\$ 100,000
Grand Total , UNIVERSITY OF NORTH TEXAS SYSTEM ADMINISTRATION	<u>\$ 100,000</u>	<u>\$ 100,000</u>

UNIVERSITY OF NORTH TEXAS

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 127,133,664	\$ 129,056,435
Grand Total, UNIVERSITY OF NORTH TEXAS	<u>\$ 127,133,664</u>	<u>\$ 129,056,435</u>
Method of Financing:		
General Revenue Fund	\$ 91,966,237	\$ 93,837,308
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	2,053,649	2,053,649
Estimated Other Educational and General Income Account No. 770	33,113,778	33,165,478
Subtotal, General Revenue Fund - Dedicated	<u>\$ 35,167,427</u>	<u>\$ 35,219,127</u>
Total, Method of Financing	<u>\$ 127,133,664</u>	<u>\$ 129,056,435</u>
Number of Full-Time-Equivalent Positions (FTE)-		
Appropriated Funds	2,706.7	2,706.7
Number of Full-Time-Equivalent Positions (FTE)-Total	3,988.8	4,016.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	42%	43%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	78.5%	79.9%
Administrative Cost as a Percent of Total Expenditures	8.1%	8.1%
State Pass Rate of Education EXCET Exam	92.5%	92.5%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	53.5%	53.5%
Percent of Lower Division Courses Taught by Tenured Faculty	50%	52%
Dollar Value of External or Sponsored Research Funds (in Millions)	12	13
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 85,775,662	\$ 85,775,662
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 2,970,887	\$ 2,970,888
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 2,668,802	\$ 3,000,267
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 4,031,379	\$ 4,037,793
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 691,403	\$ 691,403
Indirect cost recovery for research related activities.		

UNIVERSITY OF NORTH TEXAS
(Continued)

A.1.6. Strategy: ORGANIZED ACTIVITIES	\$	295,210	\$	295,210
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$	<u>1,883,959</u>	\$	<u>3,336,550</u>
Capital Equity and Excellence funding.				
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>98,317,302</u>	\$	<u>100,107,773</u>
B. Goal: INFRASTRUCTURE SUPPORT				
Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT	\$	18,051,922	\$	18,051,922
Educational and general space support.				
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	3,518,468	\$	3,500,768
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$	<u>348,705</u>	\$	<u>348,705</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	<u>21,919,095</u>	\$	<u>21,901,395</u>
C. Goal: SPECIAL ITEM SUPPORT				
Provide special item support.				
C.1.1. Strategy: TEXAS ACADEMY OF MATH AND SCIENCE	\$	1,757,394	\$	1,757,394
C.1.2. Strategy: NORTH TEXAS AREA UNIVERSITIES Federation of North Texas Area Universities.	\$	693,712	\$	693,712
C.1.3. Strategy: UNT SYSTEM CENTER AT DALLAS University of North Texas System Center at Dallas.	\$	3,150,000	\$	3,300,000
C.2.1. Strategy: INSTITUTE OF APPLIED SCIENCES	\$	72,294	\$	72,294
C.3.1. Strategy: EMERGENCY MANAGEMENT CENTER Center for Studies in Emergency Management.	\$	58,058	\$	58,058
C.3.2. Strategy: CENTER FOR VOLUNTEERISM Educational Center for Volunteerism.	\$	100,000	\$	100,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>1,065,809</u>	\$	<u>1,065,809</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>6,897,267</u>	\$	<u>7,047,267</u>
Grand Total, UNIVERSITY OF NORTH TEXAS	\$	<u><u>127,133,664</u></u>	\$	<u><u>129,056,435</u></u>
Method of Financing:				
General Revenue Fund	\$	91,966,237	\$	93,837,308
<u>General Revenue Fund - Dedicated</u>				
Estimated Board Authorized Tuition Increases Account No. 704		2,053,649		2,053,649
Estimated Other Educational and General Income Account No. 770		33,113,778		33,165,478
Subtotal, General Revenue Fund - Dedicated	\$	<u>35,167,427</u>	\$	<u>35,219,127</u>
Total, Method of Financing	\$	<u><u>127,133,664</u></u>	\$	<u><u>129,056,435</u></u>

UNIVERSITY OF NORTH TEXAS
(Continued)

2. **Academic or Policy Research Program.** The Board of Regents of the University of North Texas is hereby authorized to use available funds or to enter into contracts, accept grants or matching grants for the purpose of establishing an academic or policy research program in conjunction with the Federal Emergency Management Agency (FEMA).
3. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$53,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

4. **Texas Academy of Mathematics and Science.** Notwithstanding any other provision of this Act, the University of North Texas may not transfer money appropriated under Strategy C.1.1, for the purpose of funding the Texas Academy of Mathematics and Science, to another purpose.
5. **Federation of North Texas Area Universities.** The Comptroller of Public Accounts shall pay all warrants drawn on the identified strategy of the Federation of North Texas Area Universities for expenses incurred on federation business regardless of which member institution of the federation the payee is an employee.

STEPHEN F. AUSTIN STATE UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 52,296,511	\$ 52,961,232
Grand Total, STEPHEN F. AUSTIN STATE UNIVERSITY	<u><u>\$ 52,296,511</u></u>	<u><u>\$ 52,961,232</u></u>
Method of Financing:		
General Revenue Fund	\$ 39,059,318	\$ 39,721,515
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>13,237,193</u>	<u>13,239,717</u>
Total, Method of Financing	<u><u>\$ 52,296,511</u></u>	<u><u>\$ 52,961,232</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	1,165.9	1,165.9

STEPHEN F. AUSTIN STATE UNIVERSITY
(Continued)

Number of Full-Time-Equivalent Positions (FTE)-Total 1,605.5 1,605.5

Supplemental Appropriations Made in Riders: \$ 2,000 \$ 0

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	36.3%	37%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	68.2%	69.4%
Administrative Cost as a Percent of Total Expenditures	9.3%	9.3%
State Pass Rate of Education EXCET Exam	77.5%	77.5%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	45%	45%
Percent of Lower Division Courses Taught by Tenured Faculty	58%	58%
State Licensure Pass Rate of Nursing Graduates	95%	95%
Dollar Value of External or Sponsored Research Funds (in Millions)	3.1	3.2
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 32,305,292	\$ 32,305,292
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,436,131	\$ 1,436,132
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 1,089,293	\$ 1,224,583
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,886,609	\$ 1,886,995
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 162,397	\$ 162,397
Indirect cost recovery for research related activities.		
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$ 437,118	\$ 437,118
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$ 2,227,163	\$ 2,227,163
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 693,549	\$ 1,228,297
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 40,237,552	\$ 40,907,977

B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.

B.1.1. Strategy: E&G SPACE SUPPORT	\$ 7,239,024	\$ 7,239,024
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 466,561	\$ 465,664
Tuition Revenue Bond retirementt.		
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 154,870	\$ 154,870
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 7,860,455	\$ 7,859,558

STEPHEN F. AUSTIN STATE UNIVERSITY
(Continued)

C. Goal: SPECIAL ITEM SUPPORT
Provide special item support.

C.2.1. Strategy: APPLIED FORESTRY STUDIES CENTER	\$	846,406	\$	846,405
Center for Applied Studies in Forestry.				
C.3.1. Strategy: STONE FORT MUSEUM & RESEARCH CENTER	\$	163,239	\$	161,333
Stone Fort Museum and Research Center of East Texas.				
C.3.2. Strategy: SOIL PLANT & WATER ANALYSIS LAB	\$	93,119	\$	92,031
Soil Plant and Water Analysis Laboratory.				
C.3.3. Strategy: APPLIED POULTRY STUDIES & RESEARCH	\$	87,821	\$	86,795
Applied Poultry Studies and Research.				
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	3,007,919	\$	3,007,133
Total, Goal C: SPECIAL ITEM SUPPORT	\$	4,198,504	\$	4,193,697
Grand Total, STEPHEN F. AUSTIN STATE UNIVERSITY	\$	52,296,511	\$	52,961,232

Method of Financing:

General Revenue Fund	\$	39,059,318	\$	39,721,515
GR Dedicated - Estimated Other Educational and General Income Account No. 770		13,237,193		13,239,717
Total, Method of Financing	\$	52,296,511	\$	52,961,232

2. **Appropriation of Special Mineral Fund.** Any unexpended balances as of August 31, 2001 (estimated to be \$2,000), and income during the biennium beginning September 1, 2001, in the Stephen F. Austin University Special Mineral Fund No. 241 are hereby appropriated to Stephen F. Austin State University to support the instructional and research programs of the university.
3. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$30,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.
- A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.
4. **Recruitment and Enrollment of Students from East Texas.** Stephen F. Austin State University shall provide a report detailing recruiting activities in the East Texas region to the Governor and Legislature no later than December 31, 2002. The report shall include recruiting activities in the following counties: Cherokee, Rusk, Panola, Shelby, Nacogdoches, San Augustine, Sabine, Newton, Jasper, Tyler, Polk, Angelina, Trinity and Houston. In addition, Stephen F. Austin State University beginning with the annual performance report

STEPHEN F. AUSTIN STATE UNIVERSITY
(Continued)

for fiscal year 2002, shall report the percent of enrolled students from those same counties. The Legislative Budget Board, in consultation with representatives from Stephen F. Austin State University, Governor’s Office, and State Auditor’s Office, shall develop a standard definition for the measure.

TEXAS SOUTHERN UNIVERSITY

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 56,679,653	\$ 57,242,589
Grand Total, TEXAS SOUTHERN UNIVERSITY	\$ 56,679,653	\$ 57,242,589
Method of Financing:		
General Revenue Fund	\$ 44,019,397	\$ 44,561,452
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,285,741	1,285,741
Estimated Other Educational and General Income Account No. 770	11,374,515	11,395,396
Subtotal, General Revenue Fund - Dedicated	\$ 12,660,256	\$ 12,681,137
Total, Method of Financing	\$ 56,679,653	\$ 57,242,589
Number of Full-Time-Equivalent Positions (FTE)-		
Appropriated Funds	706.0	706.0
Number of Full-Time-Equivalent Positions (FTE)-Total	1,011.0	1,011.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	13%	14%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	66%	66%
Administrative Cost as a Percent of Total Expenditures	11.7%	11.7%
State Pass Rate of Education EXCET Exam	23.1%	23.3%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	43%	42%
Percent of Lower Division Courses Taught by Tenured Faculty	47.7%	47.7%
State Licensure Pass Rate of Law Graduates	81.6%	81.6%

TEXAS SOUTHERN UNIVERSITY
(Continued)

State Licensure Pass Rate of Pharmacy Graduates	86%	86%
Dollar Value of External or Sponsored Research Funds (in Millions)	10	10
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 24,315,303	\$ 24,315,303
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 862,771	\$ 862,772
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 524,648	\$ 589,809
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,329,587	\$ 1,331,941
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 485,000	\$ 485,000
Indirect cost recovery for research related activities.		
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$ 74,425	\$ 74,425
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$ 492,994	\$ 492,994
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 647,228	\$ 1,146,260
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 28,731,956	\$ 29,298,504
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 6,997,374	\$ 6,997,374
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 1,414,692	\$ 1,411,079
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 69,985	\$ 69,985
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 8,482,051	\$ 8,478,438
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: THURGOOD MARSHALL SCHOOL OF LAW	\$ 553,819	\$ 553,819
C.1.2. Strategy: ACCREDITATION - BUSINESS	\$ 82,464	\$ 82,464
Accreditation continuation - business.		
C.1.3. Strategy: ACCREDITATION - PHARMACY	\$ 83,176	\$ 83,176
Accreditation continuation - pharmacy.		
C.1.4. Strategy: ACCREDITATION - EDUCATION	\$ 104,200	\$ 104,200
Accreditation continuation - education.		
C.3.1. Strategy: MICKEY LELAND CENTER	\$ 80,582	\$ 80,582
Mickey Leland Center on World Hunger and Peace.		
C.3.2. Strategy: COMMUNITY REDEVELOPMENT PROJECT	\$ 100,000	\$ 100,000
C.3.3. Strategy: TEXAS SUMMER ACADEMY	\$ 500,000	\$ 500,000
C.4.1. Strategy: MIS/FISCAL OPERATIONS	\$ 164,890	\$ 164,890
Integrated plan to improve Management Information Services and fiscal operations.		
C.4.2. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 5,296,515	\$ 5,296,516
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 6,965,646	\$ 6,965,647

TEXAS SOUTHERN UNIVERSITY
(Continued)

D. Goal: TEXAS COMMITMENT-OCR PRIORITY PLAN		
Texas commitment - OCR Priority Plan.		
D.1.1. Strategy: OCR PRIORITY PLAN	\$ 12,500,000	\$ 12,500,000 & UB
Provide funding to meet the Texas commitment to enhance programs, systems, and the recruitment, retention, and graduation of students.		
Grand Total, TEXAS SOUTHERN UNIVERSITY	<u>\$ 56,679,653</u>	<u>\$ 57,242,589</u>

Method of Financing:		
General Revenue Fund	\$ 44,019,397	\$ 44,561,452
<u>General Revenue Fund - Dedicated</u>		
Estimated Board Authorized Tuition Increases Account No. 704	1,285,741	1,285,741
Estimated Other Educational and General Income Account No. 770	11,374,515	11,395,396
Subtotal, General Revenue Fund - Dedicated	<u>\$ 12,660,256</u>	<u>\$ 12,681,137</u>
Total, Method of Financing	<u>\$ 56,679,653</u>	<u>\$ 57,242,589</u>

2. **Program Enhancements for Texas Southern University.** It is the intent of the Legislature that for Thurgood Marshall School of Law, Accreditation Continuation-Business, Accreditation Continuation-Pharmacy, Accreditation Continuation-Education, Texas Southern University shall, prior to September 1, 2001, submit to the Texas Higher Education Coordinating Board and the Legislative Budget Board a detailed plan for the use of these funds in order to maintain or achieve accreditation for the specified program or department.
3. **Thurgood Marshall School of Law.** In addition to general revenue funds identified above for the operation and maintenance of the Thurgood Marshall School of Law, all tuition and fee revenues generated through enrollment in the School of Law, including Texas Public Education Grants and Emergency Loans under VTCA, Education Code, Chapter 56 (Student Financial Aid Assistance), shall be allocated for use by the School of Law and may only be expended for purposes related to the operation and maintenance of the School of Law and its students.
4. **Appropriation, Governing Board.** Out of funds appropriated herein, an amount not to exceed \$30,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

TEXAS SOUTHERN UNIVERSITY
(Continued)

5. **Texas Commitment - OCR Priority Plan.** Out of the funds appropriated above in D. Goal: Texas Commitment - OCR Priority Plan, the following items are included in the Priority Plan:

OCR Priority Plan Items	in millions	
	<u>2002</u>	<u>2003</u>
1. Meet State Auditor's Office Requirements	\$1.05	\$1.05
2. Academic Planning	\$0.10	\$0.10
3. Development Office	\$0.70	\$0.70
4. Facilities Planning	\$0.15	\$0.15
5. Information Technology	\$1.15	\$1.15
6. Human Resources	\$0.70	\$0.70
7. Student Enrollment	\$0.25	\$0.25
8. Summer and First Year Student Support Program	\$1.00	\$1.00
9. Basic Skills Program	\$0.45	\$0.45
10. Honors and Institutional Scholarships	\$1.15	\$1.15
11. Enhance Law, Pharmacy, Business and Educator Preparation Programs	\$1.55	\$1.55
12. MA/PhD Urban Planning and Environmental Policy	\$0.50	\$0.50
13. MS Health Care Administration	\$0.50	\$0.50
14. MA Social Work	\$0.25	\$0.25
15. Four Endowed Chairs	\$1.00	\$1.00
16. Re-establish School of Public Affairs	\$1.00	\$1.00
17. Child Care Center	<u>\$1.00</u>	<u>\$1.00</u>
Total	\$12.50	\$12.50 & UB

6. **OCR Priority Plan Reporting Requirements.** Texas Southern University shall work with the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board to establish a detailed plan to accomplish the goal and create benchmarks and performance measures to be adopted in accordance with the OCR Priority Plan for the above items by September 1, 2001, and shall report them semi-annually by December 31 and June 30 to the institution's Board of Regents, the Texas Higher Education Coordinating Board, the Governor, and the Legislative Budget Board. It is legislative intent that any funds not spent during the 2002-03 biennium shall be transferred to the 2004-05 biennium without any reduction in future funding for the Office of Civil Rights Priority Plan.
7. **OCR Multi-year Commitment.** It is the intent of the Legislature that the funding identified above in the OCR Priority Plan be continued as a multi-year commitment by the Legislature.

TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION

	For the Years Ending	
	August 31, 2002	August 31, 2003
Out of the General Revenue Fund:		
1. Educational and General State Support	\$ 500,000	\$ 500,000
Grand Total, TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION	\$ 500,000	\$ 500,000

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

Out of the General Revenue Fund:		
A. Goal: INSTRUCTION/OPERATIONS Provide instructional and operations support.		
A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	\$ 500,000	\$ 500,000
Grand Total, TEXAS TECH UNIVERSITY SYSTEM ADMINISTRATION	\$ 500,000	\$ 500,000

TEXAS TECH UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 146,559,547	\$ 147,406,765
Grand Total, TEXAS TECH UNIVERSITY	\$ 146,559,547	\$ 147,406,765
Method of Financing:		
General Revenue Fund	\$ 107,970,101	\$ 108,780,101
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	3,803,378	3,803,378
Estimated Other Educational and General Income Account No. 770	34,786,068	34,823,286
Subtotal, General Revenue Fund - Dedicated	\$ 38,589,446	\$ 38,626,664
Total, Method of Financing	\$ 146,559,547	\$ 147,406,765
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	3,240.0	3,240.0

TEXAS TECH UNIVERSITY
(Continued)

Number of Full-Time-Equivalent Positions (FTE)-Total	5,298.1	5,298.1
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Supplemental Appropriations Made in Riders:	\$ 219,000	\$ 20,000
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1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	48%	48%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	86.6%	88.1%
Administrative Cost as a Percent of Total Expenditures	11%	11%
State Pass Rate of Education EXCET Exam	76.4%	76.4%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	17.1%	17.1%
Percent of Lower Division Courses Taught by Tenured Faculty	34%	34%
State Licensure Pass Rate of Law Graduates	90.5%	90.5%
State Licensure Pass Rate of Engineering Graduates	89.6%	89.6%
Dollar Value of External or Sponsored Research Funds (in Millions)	27.6	29
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 87,646,141	\$ 87,646,141
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 3,067,556	\$ 3,067,557
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 3,608,498	\$ 4,056,674
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 3,971,790	\$ 3,976,631
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 2,386,966	\$ 2,386,966
Indirect cost recovery for research related activities.		
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$ 207,088	\$ 207,088
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$ 1,618,757	\$ 1,618,757
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 2,191,263	\$ 3,880,797
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 104,698,059	\$ 106,840,611

B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.

B.1.1. Strategy: E&G SPACE SUPPORT	\$ 20,502,952	\$ 20,502,952
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 4,982,463	\$ 4,887,129
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 317,225	\$ 317,225
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 25,802,640	\$ 25,707,306

C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: LIBRARY ARCHIVAL SUPPORT	\$ 500,000	\$ 500,000
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TEXAS TECH UNIVERSITY
(Continued)

C.1.2. Strategy: MASTER'S OF SOCIAL WORK Master's of Social Work Program.	\$	50,000	\$	50,000
C.2.1. Strategy: AGRICULTURAL RESEARCH Research to enhance agricultural production and add value to agricultural products in Texas.	\$	2,283,883	\$	2,283,883
C.2.2. Strategy: ENERGY RESEARCH Research in energy production and environmental protection in Texas.	\$	967,789	\$	967,789
C.2.3. Strategy: EMERGING TECHNOLOGIES RESEARCH Research in emerging technologies and economic development in Texas.	\$	545,152	\$	545,152
C.3.1. Strategy: JUNCTION ANNEX OPERATION	\$	362,592	\$	362,592
C.3.2. Strategy: SMALL BUSINESS DEVELOPMENT Small Business Development Center.	\$	950,000	\$	950,000
C.3.3. Strategy: MUSEUMS & CENTERS Museums and historical, cultural, and educational centers.	\$	2,287,634	\$	2,087,634
C.3.4. Strategy: INTERNATIONAL TRADE CENTER	\$	600,000	\$	600,000
C.3.5. Strategy: CENTER FOR FINANCIAL RESPONSIBILITY	\$	240,000	\$	240,000
C.3.6. Strategy: MITC - FREDERICKSBURG	\$	500,000	\$	500,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	5,771,798	\$	5,771,798
C.4.2. Strategy: TRB DEBT SERVICE ADJUSTMENT	\$	<u>1,000,000</u>	\$	<u>0</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>16,058,848</u>	\$	<u>14,858,848</u>
 Grand Total, TEXAS TECH UNIVERSITY	 \$	 <u>146,559,547</u>	 \$	 <u>147,406,765</u>

Method of Financing:			
General Revenue Fund	\$	107,970,101	\$ 108,780,101
<u>General Revenue Fund - Dedicated</u>			
Estimated Board Authorized Tuition Increases Account No. 704		3,803,378	3,803,378
Estimated Other Educational and General Income Account No. 770		34,786,068	34,823,286
 Subtotal, General Revenue Fund - Dedicated	 \$	 <u>38,589,446</u>	 \$ <u>38,626,664</u>
 Total, Method of Financing	 \$	 <u>146,559,547</u>	 \$ <u>147,406,765</u>

2. **Appropriation of Special Mineral Fund.** Any unexpended balances as of August 31, 2001 (estimated to be \$199,000), and income during the biennium beginning September 1, 2001, in the Texas Tech University Special Mineral Fund are hereby appropriated at Texas Tech University to support instruction and research programs of the University. Mineral Funds estimated to be \$20,000 in 2002 and \$20,000 in 2003.
3. **Small Business Development Center.** Included in the appropriation above to Texas Tech University is \$642,009 in fiscal year 2002 and \$642,010 in fiscal year 2003 for the Small Business Development Center, or its equivalent due to special and general provisions of this Act, contingent upon certification by the Comptroller of

TEXAS TECH UNIVERSITY

(Continued)

Public Accounts that increased activity by the Small Business Development Center will generate at least \$1,284,019 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Small Business Development Center be used by the center to attract federal funds on a dollar-for-dollar basis.

4. **Texas Tech University Museum.** Out of funds identified above for the Museums and Historical, Cultural and Educational Centers, \$533,565 in fiscal year 2002 and \$433,565 in fiscal year 2003 shall be allocated to the Ranching Heritage Center, and \$266,859 in each fiscal year shall be allocated to the Lubbock Lake Landmark.
5. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$125,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

6. **Cooperative Biological Research Database.** Out of the funds appropriated above, the sum of \$221,126 per year is for the establishment of a biological research database in cooperation with the Texas Parks and Wildlife Department and the Texas Cooperative Fish and Wildlife Research Unit. The Texas Parks and Wildlife Department and the Texas Cooperative Fish and Wildlife Research Unit shall provide matching funds to establish and fund the database.
7. **Feed Institute.** The University shall out of funds appropriated above, provide \$150,000 in fiscal year 2002 and \$150,000 in fiscal year 2003 for the Feed Institute.
8. **International Trade Center.** Included in the appropriation above to Texas Tech University is \$100,000 in fiscal year 2002 and \$100,000 in fiscal year 2003 for the International Trade Center, or its equivalent due to special and general provisions for this Act. contingent upon certification by the Comptroller of Public Accounts that increased activity by the International Trade Center will generate at least \$200,000 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the International Trade Center be used by the center to attract federal funds on a dollar-for-dollar basis.

TEXAS WOMAN'S UNIVERSITY

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 56,718,872	\$ 57,379,289
Grand Total, TEXAS WOMAN'S UNIVERSITY	<u>\$ 56,718,872</u>	<u>\$ 57,379,289</u>
Method of Financing:		
General Revenue Fund	\$ 46,731,432	\$ 47,380,127
General Revenue Fund - Dedicated		
Estimated Board Authorized Tuition Increases Account No. 704	1,293,480	1,293,480
Estimated Other Educational and General Income Account No. 770	8,693,960	8,705,682
Subtotal, General Revenue Fund - Dedicated	<u>\$ 9,987,440</u>	<u>\$ 9,999,162</u>
Total, Method of Financing	<u>\$ 56,718,872</u>	<u>\$ 57,379,289</u>
Number of Full-Time-Equivalent Positions (FTE)-		
Appropriated Funds	1,195.2	1,195.2
Number of Full-Time-Equivalent Positions (FTE)-Total	1,502.7	1,502.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. **Goal:** INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	38.7%	38.7%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	85.2%	86.8%
Administrative Cost as a Percent of Total Expenditures	12.6%	12.6%
State Pass Rate of Education EXCET Exam	54.1%	54.6%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	60%	60%
Percent of Lower Division Courses Taught by Tenured Faculty	42%	42.5%
State Licensure Pass Rate of Nursing Graduates	98%	98%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.9	1.9
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 39,025,047	\$ 39,025,047
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,071,996	\$ 1,071,996
Teaching experience supplement.		
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 690,048	\$ 775,752
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,221,996	\$ 1,223,615
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 191,569	\$ 191,569
Indirect cost recovery for research related activities.		
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$ 28,375	\$ 28,375

TEXAS WOMAN’S UNIVERSITY
(Continued)

A.1.7. Strategy: FORMULA HOLD HARMLESS	\$	2,669,232	\$	2,669,232
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$	<u>729,404</u>	\$	<u>1,291,798</u>
Capital Equity and Excellence funding.				
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>45,627,667</u>	\$	<u>46,277,384</u>
B. Goal: INFRASTRUCTURE SUPPORT				
Provide infrastructure support.				
B.1.1. Strategy: E&G SPACE SUPPORT	\$	5,807,975	\$	5,807,975
Educational and general space support.				
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$	1,275,455	\$	1,286,155
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$	<u>99,828</u>	\$	<u>99,828</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	<u>7,183,258</u>	\$	<u>7,193,958</u>
C. Goal: SPECIAL ITEM SUPPORT				
Provide special item support.				
C.1.1. Strategy: LIBRARY ASSESSMENT	\$	200,344	\$	200,344
Texas Medical Center Library assessment.				
C.2.1. Strategy: NUTRITION RESEARCH PROGRAM	\$	88,602	\$	88,602
Human Nutrition Research Development Program.				
C.2.2. Strategy: WOMEN'S HEALTH RESEARCH CENTER	\$	675,000	\$	675,000
Center for Research on Women’s Health.				
C.3.1. Strategy: READING RECOVERY	\$	458,169	\$	458,169
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>2,485,832</u>	\$	<u>2,485,832</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>3,907,947</u>	\$	<u>3,907,947</u>
Grand Total, TEXAS WOMAN'S UNIVERSITY	\$	<u><u>56,718,872</u></u>	\$	<u><u>57,379,289</u></u>
Method of Financing:				
General Revenue Fund	\$	46,731,432	\$	47,380,127
<u>General Revenue Fund - Dedicated</u>				
Estimated Board Authorized Tuition Increases Account No. 704		1,293,480		1,293,480
Estimated Other Educational and General Income Account No. 770		8,693,960		8,705,682
Subtotal, General Revenue Fund - Dedicated	\$	<u>9,987,440</u>	\$	<u>9,999,162</u>
Total, Method of Financing	\$	<u><u>56,718,872</u></u>	\$	<u><u>57,379,289</u></u>

2. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$35,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

TEXAS WOMAN’S UNIVERSITY
(Continued)

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM CENTRAL OFFICE

	For the Years Ending	
	August 31,	August 31,
	2002	2003
Out of the General Revenue Fund:		
1. Educational and General State Support	\$ 1,337,513	\$ 1,337,512
Grand Total, BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM CENTRAL OFFICE	\$ 1,337,513	\$ 1,337,512

Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	10.6	10.6
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Number of Full-Time-Equivalent Positions (FTE)-Total	10.6	10.6
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Supplemental Appropriations Made in Riders:	\$ 120,000	\$ 120,000
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1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

Out of the General Revenue Fund:

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

A.1.1. Strategy: SYSTEM OFFICE OPERATIONS	\$ 1,337,513	\$ 1,337,512
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Grand Total, BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM CENTRAL OFFICE	\$ 1,337,513	\$ 1,337,512
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2. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$85,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging, and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific

BOARD OF REGENTS, TEXAS STATE UNIVERSITY SYSTEM CENTRAL OFFICE
(Continued)

amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

- 3. **Audit of Base Period Contact Hours.** The hours used in the contact hour base period to fund the Lamar State Colleges are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board and the public community and junior colleges and the appropriation amounts adjusted accordingly by the Comptroller of Public Accounts. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total amount appropriated to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total amount appropriated to the institution for the biennium.
- 4. **Transferability.** The Board of Regents of the Texas State University System is authorized to transfer and utilize funds appropriated to Sul Ross State University and Sul Ross State University-Rio Grande College between the campuses if necessary to accomplish the capital improvement goals of the University.
- 5. **Appropriation of Special Mineral Funds.** Any unexpended balance as of August 31, 2001, and income during the biennium beginning September 1, 2001, in the Texas State University System Special Mineral Fund are hereby appropriated to the Board of Regents of the Texas State University System to be disbursed for the purposes provided for and in accordance with the provisions of VTCA Education Code, § 95.36. Mineral Funds are estimated to be \$120,000 in 2002 and \$120,000 in 2003.

ANGELO STATE UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 31,553,250	\$ 31,966,945
Grand Total, ANGELO STATE UNIVERSITY	<u>\$ 31,553,250</u>	<u>\$ 31,966,945</u>
Method of Financing:		
General Revenue Fund	\$ 24,579,084	\$ 24,991,665
* GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704	0	0
* GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>6,974,166</u>	<u>6,975,280</u>
Total, Method of Financing	<u>\$ 31,553,250</u>	<u>\$ 31,966,945</u>

*Corrected Method of Financing.

ANGELO STATE UNIVERSITY
(Continued)

Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	550.7	550.7
Number of Full-Time-Equivalent Positions (FTE)-Total	756.6	760.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	37%	37%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	68%	69%
Administrative Cost as a Percent of Total Expenditures	9.64	9.64
State Pass Rate of Education EXCET Exam	78.3%	78.3%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	51.7%	51.7%
Percent of Lower Division Courses Taught by Tenured Faculty	60%	60%
State Licensure Pass Rate of Nursing Graduates	92%	92%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 16,134,699	\$ 16,134,699
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 772,873	\$ 772,873
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 385,159	\$ 432,996
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,015,137	\$ 1,015,310
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 7,966	\$ 7,966
Indirect cost recovery for research related activities.		
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$ 169,118	\$ 169,118
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$ 70,810	\$ 70,810
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 406,350	\$ 719,660
Capital Equity and Excellence funding.		

Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 18,962,112</u>	<u>\$ 19,323,432</u>
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B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.

B.1.1. Strategy: E&G SPACE SUPPORT	\$ 3,886,907	\$ 3,886,907
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 2,934,556	\$ 2,914,879
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	<u>\$ 69,000</u>	<u>\$ 69,000</u>

Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 6,890,463</u>	<u>\$ 6,870,786</u>
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C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: SCHOOL-BASED CLINICS	\$ 56,000	\$ 56,000
C.1.2. Strategy: CENTER FOR ACADEMIC EXCELLENCE	\$ 500,000	\$ 500,000
C.2.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	\$ 87,870	\$ 87,870

ANGELO STATE UNIVERSITY
(Continued)

	C.2.2. Strategy: CENTER FOR FINE ARTS	\$	162,500	\$	162,500
	C.2.3. Strategy: MGT/INSTRUCTION/RESEARCH CENTER	\$	295,715	\$	295,715
	Management, Instruction, and Research Center.				
	C.2.4. Strategy: WEST TEXAS TRAINING CENTER	\$	925,000	\$	925,000
	C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>3,673,590</u>	\$	<u>3,745,642</u>
	Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>5,700,675</u>	\$	<u>5,772,727</u>
	Grand Total, ANGELO STATE UNIVERSITY	\$	<u><u>31,553,250</u></u>	\$	<u><u>31,966,945</u></u>
	Method of Financing:				
	General Revenue Fund	\$	24,579,084	\$	24,991,665
*	GR Dedicated - Estimated Board Authorized Tuition				
	Increases Account No. 704		0		0
*	GR Dedicated - Estimated Other Educational and				
	General Income Account No. 770		<u>6,974,166</u>		<u>6,975,280</u>
	Total, Method of Financing	\$	<u><u>31,553,250</u></u>	\$	<u><u>31,966,945</u></u>

LAMAR UNIVERSITY

	For the Years Ending	
	August 31,	August 31,
	<u>2002</u>	<u>2003</u>
1. Educational and General State Support	\$ 38,571,776	\$ 39,138,957
Grand Total, LAMAR UNIVERSITY	<u><u>\$ 38,571,776</u></u>	<u><u>\$ 39,138,957</u></u>
Method of Financing:		
General Revenue Fund	\$ 29,628,764	\$ 30,188,031
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	8,943,012	8,950,926
Total, Method of Financing	<u><u>\$ 38,571,776</u></u>	<u><u>\$ 39,138,957</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds		
	867.0	867.0
Number of Full-Time-Equivalent Positions (FTE)-Total	1,125.0	1,125.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

*Corrected Method of Financing.

LAMAR UNIVERSITY
(Continued)

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	23.5%	24%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	69.3%	70.5%
Administrative Cost as a Percent of Total Expenditures	11.6%	11.6%
State Pass Rate of Education EXCET Exam	79.2%	79.2%
Percent of Baccalaureate Graduates Who Are First Generation College Graduates	40.9%	41%
Percent of Lower Division Courses Taught by Tenured Faculty	63.7%	63.7%
State Licensure Pass Rate of Engineering Graduates	95%	95%
State Licensure Pass Rate of Nursing Graduates	92.7%	92.7%
Dollar Value of External or Sponsored Research Funds (in Millions)	1.5	1.5
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 23,774,362	\$ 23,774,362
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,040,335	\$ 1,040,336
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 817,920	\$ 919,506
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,240,779	\$ 1,241,914
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 163,161	\$ 163,161
Indirect cost recovery for research related activities.		
A.1.6. Strategy: FORMULA HOLD HARMLESS	\$ 579,166	\$ 579,166
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 599,857	\$ 1,062,366
Capital Equity and Excellence funding.		

Total, Goal A: INSTRUCTION/OPERATIONS	\$ 28,215,580	\$ 28,780,811
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B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.

B.1.1. Strategy: E&G SPACE SUPPORT	\$ 5,047,457	\$ 5,047,457
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 657,588	\$ 659,538
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 105,430	\$ 105,430

Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 5,810,475	\$ 5,812,425
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C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: ACADEMY IN HUMANITIES LEADERSHIP	\$ 343,079	\$ 343,079
Texas Academy of Leadership in the Humanities.		
C.2.1. Strategy: HAZARDOUS SUBSTANCE RESEARCH CENTER	\$ 483,497	\$ 483,497
Gulf Coast Hazardous Substance Research Center.		
C.2.2. Strategy: AIR QUALITY INITIATIVE	\$ 700,000	\$ 700,000
Air Quality Initiative: Texas Hazardous Waste Research Center.		
C.3.1. Strategy: SPINDLETOP MUSEUM EDUC'AL ACTIVITY	\$ 32,867	\$ 32,867
Spindletop Museum educational activities.		

LAMAR UNIVERSITY
(Continued)

C.3.2. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	\$	106,063	\$	106,063
C.3.3. Strategy: COMMUNITY OUTREACH EXPANSION Public service/community outreach expansion.	\$	87,749	\$	87,749
C.3.4. Strategy: SPINDLETOP TEACHING CENTER Spindletop Center for Excellence in Teaching Technology.	\$	150,000	\$	150,000
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>2,642,466</u>	\$	<u>2,642,466</u>
Total, Goal C: SPECIAL ITEM SUPPORT	\$	<u>4,545,721</u>	\$	<u>4,545,721</u>
Grand Total, LAMAR UNIVERSITY	\$	<u><u>38,571,776</u></u>	\$	<u><u>39,138,957</u></u>

Method of Financing:				
General Revenue Fund	\$	29,628,764	\$	30,188,031
GR - Dedicated - Estimated Other Educational and General Income Account No. 770		8,943,012		8,950,926
Total, Method of Financing	\$	<u><u>38,571,776</u></u>	\$	<u><u>39,138,957</u></u>

2. **Small Business Development Center.** Included in the appropriation above to Lamar University - Beaumont is \$106,063 in each year of the biennium for the Small Business Development Center, or its equivalent due to special and general provisions of this Act, contingent upon certification by the Comptroller of Public Accounts that increased activity by the Small Business Development Center will generate at least \$212,126 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Small Business Development Center be used by the center to attract federal funds on a dollar-for-dollar basis.

LAMAR INSTITUTE OF TECHNOLOGY

	For the Years Ending			
	August 31,	August 31,		
	<u>2002</u>	<u>2003</u>		
1. Educational and General State Support	\$	10,679,169	\$	10,660,471
Grand Total, LAMAR INSTITUTE OF TECHNOLOGY	\$	<u><u>10,679,169</u></u>	\$	<u><u>10,660,471</u></u>
Method of Financing:				
General Revenue Fund	\$	8,699,684	\$	8,679,724
GR - Dedicated - Estimated Other Educational and General Income Account No. 770		1,979,485		1,980,747
Total, Method of Financing	\$	<u><u>10,679,169</u></u>	\$	<u><u>10,660,471</u></u>

LAMAR INSTITUTE OF TECHNOLOGY
(Continued)

Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	141.1	141.1
Number of Full-Time-Equivalent Positions (FTE)-Total	148.6	148.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percentage of Courses Completed	91	91
Administrative Cost as a Percent of Total Expenditures	13.7%	13.7%
A.1.1. Strategy: ACADEMIC EDUCATION	\$ 879,333	\$ 879,335
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 5,977,889	\$ 5,966,050
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 111,954	\$ 125,858
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	<u>\$ 284,131</u>	<u>\$ 284,315</u>
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 7,253,307</u>	<u>\$ 7,255,558</u>
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 1,600,605	\$ 1,600,605
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND		
RETIREMENT	\$ 167,013	\$ 163,638
B.1.3. Strategy: SKILES ACT REVENUE BOND		
RETIREMENT	<u>\$ 22,000</u>	<u>\$ 22,000</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 1,789,618</u>	<u>\$ 1,786,243</u>
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: WORKFORCE LITERACY	\$ 39,541	\$ 39,541
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	<u>\$ 1,596,703</u>	<u>\$ 1,579,129</u>
Total, Goal C: SPECIAL ITEM SUPPORT	<u>\$ 1,636,244</u>	<u>\$ 1,618,670</u>
Grand Total, LAMAR INSTITUTE OF TECHNOLOGY		
	<u>\$ 10,679,169</u>	<u>\$ 10,660,471</u>

Method of Financing:		
General Revenue Fund	\$ 8,699,684	\$ 8,679,724
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	1,979,485	1,980,747
Total, Method of Financing	<u>\$ 10,679,169</u>	<u>\$ 10,660,471</u>

LAMAR STATE COLLEGE - ORANGE

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 7,696,247	\$ 7,701,797
Grand Total, LAMAR STATE COLLEGE - ORANGE	<u><u>\$ 7,696,247</u></u>	<u><u>\$ 7,701,797</u></u>
Method of Financing:		
General Revenue Fund	\$ 6,188,265	\$ 6,192,694
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	1,507,982	1,509,103
Total, Method of Financing	<u><u>\$ 7,696,247</u></u>	<u><u>\$ 7,701,797</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	127.9	127.9
Number of Full-Time-Equivalent Positions (FTE)-Total	182.9	182.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of Courses Completed	84%	85%
Administrative Cost as a Percent of Total Expenditures	13%	13%
A.1.1. Strategy: ACADEMIC EDUCATION	\$ 2,983,999	\$ 2,982,216
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 1,274,343	\$ 1,274,343
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 22,157	\$ 24,909
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 269,805	\$ 270,011
A.1.5. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	<u><u>\$ 77,781</u></u>	<u><u>\$ 77,781</u></u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u><u>\$ 4,628,085</u></u>	<u><u>\$ 4,629,260</u></u>
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 1,160,971	\$ 1,160,971
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 285,994	\$ 290,369
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	<u><u>\$ 21,210</u></u>	<u><u>\$ 21,210</u></u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u><u>\$ 1,468,175</u></u>	<u><u>\$ 1,472,550</u></u>

LAMAR STATE COLLEGE - ORANGE
(Continued)

C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 1,599,987	\$ 1,599,987
Grand Total, LAMAR STATE COLLEGE - ORANGE	<u>\$ 7,696,247</u>	<u>\$ 7,701,797</u>
Method of Financing:		
General Revenue Fund	\$ 6,188,265	\$ 6,192,694
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	1,507,982	1,509,103
Total, Method of Financing	<u>\$ 7,696,247</u>	<u>\$ 7,701,797</u>

LAMAR STATE COLLEGE - PORT ARTHUR

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 10,641,800	\$ 10,645,547
Grand Total, LAMAR STATE COLLEGE - PORT ARTHUR	<u>\$ 10,641,800</u>	<u>\$ 10,645,547</u>
Method of Financing:		
General Revenue Fund	\$ 8,794,372	\$ 8,797,033
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	<u>1,847,428</u>	<u>1,848,514</u>
Total, Method of Financing	<u>\$ 10,641,800</u>	<u>\$ 10,645,547</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	230.0	230.0
Number of Full-Time-Equivalent Positions (FTE)-Total	256.3	260.7

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.
- A. Goal:** INSTRUCTION/OPERATIONS
Provide instructional and operations support.
- Outcome (Results/Impact):**
- | | | |
|--|-------|-------|
| Percent of Courses Completed | 93% | 93% |
| Administrative Cost as a Percent of Total Expenditures | 16.7% | 16.7% |

LAMAR STATE COLLEGE - PORT ARTHUR
(Continued)

A.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,220,037	\$ 3,194,536
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 2,896,144	\$ 2,896,144
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 229,172	\$ 257,635
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 501,272	\$ 501,557
A.1.5. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	<u>\$ 244,143</u>	<u>\$ 244,143</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 7,090,768</u>	<u>\$ 7,094,015</u>
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 1,556,424	\$ 1,556,424
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND		
RETIREMENT	\$ 226,469	\$ 226,969
B.1.3. Strategy: SKILES ACT REVENUE BOND		
RETIREMENT	<u>\$ 28,000</u>	<u>\$ 28,000</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 1,810,893</u>	<u>\$ 1,811,393</u>
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.2.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	\$ 150,000	\$ 150,000
C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	<u>\$ 1,590,139</u>	<u>\$ 1,590,139</u>
Total, Goal C: SPECIAL ITEM SUPPORT	<u>\$ 1,740,139</u>	<u>\$ 1,740,139</u>
Grand Total, LAMAR STATE COLLEGE - PORT ARTHUR	<u><u>\$ 10,641,800</u></u>	<u><u>\$ 10,645,547</u></u>
Method of Financing:		
General Revenue Fund	\$ 8,794,372	\$ 8,797,033
GR - Dedicated - Estimated Other Educational and General Income Account No. 770	<u>1,847,428</u>	<u>1,848,514</u>
Total, Method of Financing	<u><u>\$ 10,641,800</u></u>	<u><u>\$ 10,645,547</u></u>

SAM HOUSTON STATE UNIVERSITY*

	For the Years Ending	
	August 31,	August 31,
	<u>2002</u>	<u>2003</u>
1. Educational and General State Support	\$ 54,864,331	\$ 55,365,977
Grand Total, SAM HOUSTON STATE UNIVERSITY	\$ 54,864,331	\$ 55,365,977

*See also House Bill 2914.

SAM HOUSTON STATE UNIVERSITY
(Continued)

Method of Financing:		
General Revenue Fund	\$ 37,359,988	\$ 37,746,518
<u>General Revenue Fund - Dedicated</u>		
Law Enforcement Management Institute Account No. 581	3,708,000	3,819,000
Estimated Other Educational and General Income Account No. 770	13,796,343	13,800,459
Subtotal, General Revenue Fund - Dedicated	<u>\$ 17,504,343</u>	<u>\$ 17,619,459</u>
Total, Method of Financing	<u><u>\$ 54,864,331</u></u>	<u><u>\$ 55,365,977</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds		
	896.0	896.0
Number of Full-Time-Equivalent Positions (FTE)-Total	1,341.0	1,341.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen		
Who Earn a Baccalaureate Degree within Six Academic Years	38%	39%
Retention Rate of First-time, Full-time, Degree-seeking		
Freshmen Students after One Academic Year	66%	67%
Administrative Cost as a Percent of Total Expenditures	9%	9%
State Pass Rate of Education EXCET Exam	74.09%	74.09%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	16.9%	16.9%
Percent of Lower Division Courses Taught by Tenured Faculty	62.25%	62.5%
Dollar Value of External or Sponsored Research Funds (in Millions)	4.1	4.2
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 33,462,329	\$ 33,462,329
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 1,561,097	\$ 1,561,098
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 779,338	\$ 876,132
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,938,975	\$ 1,939,595
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 196,319	\$ 196,319
Indirect cost recovery for research related activities.		
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$ 75,000	\$ 75,000
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$ 96,290	\$ 96,290
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	<u>\$ 613,285</u>	<u>\$ 1,086,147</u>
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u><u>\$ 38,722,633</u></u>	<u><u>\$ 39,292,910</u></u>

SAM HOUSTON STATE UNIVERSITY
(Continued)

B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$ 7,474,393	\$ 7,474,393
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	<u>\$ 780,911</u>	<u>\$ 776,405</u>
Total, Goal B: INFRASTRUCTURE SUPPORT	<u>\$ 8,255,304</u>	<u>\$ 8,250,798</u>
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: ACADEMIC ENRICHMENT CENTER Academic Enrichment Center/Advisement Center.	\$ 150,000	\$ 150,000
C.2.1. Strategy: SAM HOUSTON MUSEUM	\$ 440,439	\$ 440,439
C.2.2. Strategy: BUSINESS & ECONOMIC DEVELOPMENT CTR Center for Business and Economic Development.	\$ 160,125	\$ 160,125
C.2.3. Strategy: LAW ENFORCEMENT MGT INSTITUTE Bill Blackwood Law Enforcement Management Institute of Texas. Estimated.	\$ 3,708,000	\$ 3,819,000
C.3.1. Strategy: ENVIRONMENTAL STUDIES INSTITUTE Institute of Environmental Studies.	\$ 175,238	\$ 175,238
C.3.2. Strategy: INSTITUTIONAL ENHANCEMENT	<u>\$ 3,252,592</u>	<u>\$ 3,077,467</u>
Total, Goal C: SPECIAL ITEM SUPPORT	<u>\$ 7,886,394</u>	<u>\$ 7,822,269</u>
Grand Total, SAM HOUSTON STATE UNIVERSITY	<u><u>\$ 54,864,331</u></u>	<u><u>\$ 55,365,977</u></u>
Method of Financing:		
General Revenue Fund	\$ 37,359,988	\$ 37,746,518
<u>General Revenue Fund - Dedicated</u>		
Law Enforcement Management Institute Account No. 581	3,708,000	3,819,000
Estimated Other Educational and General Income Account No. 770	13,796,343	13,800,459
Subtotal, General Revenue Fund - Dedicated	<u>\$ 17,504,343</u>	<u>\$ 17,619,459</u>
Total, Method of Financing	<u><u>\$ 54,864,331</u></u>	<u><u>\$ 55,365,977</u></u>

2. **Criminal Justice Center.** From the funds appropriated above, the University is directed to continue the Criminal Justice Center operations at a minimum level of \$800,000 per year.
3. **Criminal Justice Center Faculty Salaries.** It is the intent of the Legislature that Sam Houston State University may augment the base salaries of faculty members at the Criminal Justice Center from a grant or consulting contract, as provided by law. Sam Houston State University

SAM HOUSTON STATE UNIVERSITY
(Continued)

must include a report of any salaries that have been augmented and the amount of the augmentation in the request for legislative appropriations submitted to the Legislative Budget Board and Governor's Office of Budget and Planning for the biennium ending August 31, 2003.

4. **Center for Business and Economic Development.** Included in the appropriation above to Sam Houston State University is \$160,125 in each year of the biennium for the Center for Business and Economic Development, or its equivalent due to special and general provisions of this Act, contingent upon certification by the Comptroller of Public Accounts that increased activity by the Center for Business and Economic Development will generate at least \$320,250 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Center for Business and Economic Development be used by the center to attract federal funds on a dollar-for-dollar basis.

SOUTHWEST TEXAS STATE UNIVERSITY

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 92,316,270	\$ 93,185,739
Grand Total, SOUTHWEST TEXAS STATE UNIVERSITY	<u><u>\$ 92,316,270</u></u>	<u><u>\$ 93,185,739</u></u>
Method of Financing:		
General Revenue Fund	\$ 66,842,042	\$ 67,695,945
* GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704	0	0
* GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>25,474,228</u>	<u>25,489,794</u>
Total, Method of Financing	<u><u>\$ 92,316,270</u></u>	<u><u>\$ 93,185,739</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	1,827.0	1,827.0
Number of Full-Time-Equivalent Positions (FTE)-Total	2,927.0	2,957.0
1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.		
A. Goal: INSTRUCTION/OPERATIONS Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Freshmen Who Earn a Baccalaureate Degree within Six Academic Years	42.9%	47.1%
Retention Rate of First-time, Full-time, Degree-seeking Freshmen Students after One Academic Year	73.6%	74.9%
*Corrected Method of Financing.		

SOUTHWEST TEXAS STATE UNIVERSITY
(Continued)

Administrative Cost as a Percent of Total Expenditures	10.7%	10.7%
State Pass Rate of Education EXCET Exam	83.9%	83.9%
Percent of Baccalaureate Graduates Who Are First Generation		
College Graduates	49.9%	50%
Percent of Lower Division Courses Taught by Tenured Faculty	49%	50%
Dollar Value of External or Sponsored Research Funds (in Millions)	11.4	11.4
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 60,894,813	\$ 60,894,813
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 2,524,267	\$ 2,524,267
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 1,635,631	\$ 1,838,776
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 4,218,610	\$ 4,221,349
A.1.5. Strategy: INDIRECT COST RECOVERY	\$ 406,000	\$ 406,000
Indirect cost recovery for research related activities.		
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$ 665,106	\$ 665,106
A.1.7. Strategy: CAPITAL EQUITY & EXCELLENCE FUNDING	\$ 1,513,467	\$ 2,680,397
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 71,857,894	\$ 73,230,708

B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.

B.1.1. Strategy: E&G SPACE SUPPORT	\$ 14,106,231	\$ 14,106,231
Educational and general space support.		
B.1.2. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 2,099,558	\$ 2,096,213
B.1.3. Strategy: SKILES ACT REVENUE BOND RETIREMENT	\$ 243,845	\$ 243,845
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 16,449,634	\$ 16,446,289

C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: GEOGRAPHY EDUCATION	\$ 50,000	\$ 50,000
Improvement of geography education.		
C.1.2. Strategy: MULTI-INSTITUTIONAL TEACHING CENTER	\$ 400,000	\$ 400,000
North Austin Multi-institutional Teaching Center.		
C.2.1. Strategy: EDWARDS AQUIFER RESEARCH CENTER	\$ 247,161	\$ 247,161
Edwards Aquifer Research and Data Center.		
C.2.2. Strategy: LONG-TERM HEALTH CARE INSTITUTE	\$ 167,808	\$ 167,808
Institute for Quality Improvement in Long-Term Health Care.		
C.2.3. Strategy: SEMICONDUCTOR INITIATIVE	\$ 100,000	\$ 100,000
Semiconductor Manufacturing and Research Initiative.		
C.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 2,543,773	\$ 2,543,773

SOUTHWEST TEXAS STATE UNIVERSITY
(Continued)

C.4.2. Strategy: FLOOD DAMAGE REPAIR		
REIMBURSEMENT	\$ 500,000	\$ UB
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 4,008,742	\$ 3,508,742
Grand Total, SOUTHWEST TEXAS STATE UNIVERSITY	\$ 92,316,270	\$ 93,185,739
Method of Financing:		
General Revenue Fund	\$ 66,842,042	\$ 67,695,945
* GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704	0	0
* GR Dedicated - Estimated Other Educational and General Income Account No. 770	25,474,228	25,489,794
Total, Method of Financing	\$ 92,316,270	\$ 93,185,739

2. **Freeman Ranch.** Out of the amounts appropriated above in informational item A.1.7, Organized Activities, \$131,531 in each year of the biennium shall be used for the Freeman Ranch.

SUL ROSS STATE UNIVERSITY

			For the Years Ending	
			August 31,	August 31,
			2002	2003
1. Educational and General State Support			\$ 17,167,439	\$ 17,324,447
Grand Total, SUL ROSS STATE UNIVERSITY			\$ 17,167,439	\$ 17,324,447
Method of Financing:				
General Revenue Fund	\$	14,799,801	\$	14,955,500
* GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704		0		0
* GR Dedicated - Estimated Other Educational and General Income Account No. 770		2,367,638		2,368,947
Total, Method of Financing	\$	17,167,439	\$	17,324,447
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds		358.0		358.0
Number of Full-Time-Equivalent Positions (FTE)-Total		435.5		435.5

*Corrected Method of Financing.

SUL ROSS STATE UNIVERSITY
(Continued)

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of First-time, Full-time, Degree-seeking Freshmen			
Who Earn a Baccalaureate Degree within Six Academic Years	23%		24%
Retention Rate of First-time, Full-time, Degree-seeking			
Freshmen Students after One Academic Year	53.8%		54.8%
Administrative Cost as a Percent of Total Expenditures	14.2%		14.2%
State Pass Rate of Education EXCET Exam	48.3%		48.7%
Percent of Baccalaureate Graduates Who Are First Generation			
College Graduates	62.3%		62.3%
Percent of Lower Division Courses Taught by Tenured Faculty	51.2%		51.2%
A.1.1. Strategy: OPERATIONS SUPPORT	\$	5,797,177	\$ 5,797,177
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$	225,012	\$ 225,013
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	215,475	\$ 242,237
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	330,832	\$ 331,020
A.1.5. Strategy: INDIRECT COST RECOVERY	\$	11,974	\$ 11,974
Indirect cost recovery for research related activities.			
A.1.6. Strategy: ORGANIZED ACTIVITIES	\$	10,500	\$ 10,500
A.1.7. Strategy: FORMULA HOLD HARMLESS	\$	956,449	\$ 956,449
A.1.8. Strategy: CAPITAL EQUITY & EXCELLENCE			
FUNDING	\$	170,978	\$ 302,807
Capital Equity and Excellence funding.			
Total, Goal A: INSTRUCTION/OPERATIONS	\$	7,718,397	\$ 7,877,177

B. Goal: INFRASTRUCTURE SUPPORT

Provide infrastructure support.

B.1.1. Strategy: E&G SPACE SUPPORT	\$	2,723,934	\$ 2,723,934
Educational and general space support.			
B.1.2. Strategy: TUITION REVENUE BOND			
RETIREMENT	\$	1,680,919	\$ 1,679,147
Total, Goal B: INFRASTRUCTURE SUPPORT	\$	4,404,853	\$ 4,403,081

C. Goal: SPECIAL ITEM SUPPORT

Provide special item support.

C.1.1. Strategy: CHIHUAHUAN DESERT RESEARCH	\$	39,104	\$ 39,104
C.1.2. Strategy: CENTER FOR BIG BEND STUDIES	\$	222,099	\$ 222,099
C.2.1. Strategy: SUL ROSS MUSEUM	\$	143,572	\$ 143,572
Sul Ross State University Museum.			
C.2.2. Strategy: BIG BEND SMALL BUSINESS DEVT			
CENTER	\$	87,604	\$ 87,604
Big Bend Region Minority and Small Business Development Center.			
C.2.3. Strategy: CRIMINAL JUSTICE ACADEMY	\$	94,176	\$ 94,176
C.2.4. Strategy: BIG BEND ARCHIVES	\$	125,000	\$ 125,000
Archives of the Big Bend.			
C.2.5. Strategy: RURAL HISPANIC LEADERSHIP	\$	100,000	\$ 100,000
C.2.6. Strategy: MUSEUM OF THE BIG BEND	\$	50,000	\$ 50,000

SUL ROSS STATE UNIVERSITY
(Continued)

	C.2.7. Strategy: RIO GRANDE HERITAGE TOURISM	\$ 150,000	\$ 150,000
	C.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 4,032,634	\$ 4,032,634
	C.3.2. Strategy: HISTORIC BUILDING RENOVATION	\$ <u>UB</u>	\$ <u>UB</u>
	Total, Goal C: SPECIAL ITEM SUPPORT	\$ <u>5,044,189</u>	\$ <u>5,044,189</u>
	Grand Total, SUL ROSS STATE UNIVERSITY	\$ <u><u>17,167,439</u></u>	\$ <u><u>17,324,447</u></u>
Method of Financing:			
	General Revenue Fund	\$ 14,799,801	\$ 14,955,500
*	GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704	0	0
*	GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>2,367,638</u>	<u>2,368,947</u>
	Total, Method of Financing	\$ <u><u>17,167,439</u></u>	\$ <u><u>17,324,447</u></u>

1. **Historic Building Renovation.** Sul Ross State University shall be allowed to carry over the unexpended balances in General Revenue appropriated in the 2000–2001 biennium to the 2002–2003 biennium to be used for the renovation of an historic building. The Legislature expressly has determined that there is a demonstrated need for the project. The amount appropriated above in Strategy C.3.2, Historic Building Renovation, shall be used solely to renovate or otherwise restore an historic property located in Alpine, Texas, the purchase of which is hereby authorized. The facility shall be used for educational and general purposes.

SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE

		For the Years Ending	
		August 31, <u>2002</u>	August 31, <u>2003</u>
1.	Educational and General State Support	\$ 6,107,939	\$ 6,133,243
	Grand Total, SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE	\$ <u><u>6,107,939</u></u>	\$ <u><u>6,133,243</u></u>
Method of Financing:			
	General Revenue Fund	\$ 5,414,400	\$ 5,439,479
	GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>693,539</u>	<u>693,764</u>
	Total, Method of Financing	\$ <u><u>6,107,939</u></u>	\$ <u><u>6,133,243</u></u>
	Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	82.6	82.6
	Number of Full-Time-Equivalent Positions (FTE)-Total	91.4	91.4

*Corrected Method of Financing.

SUL ROSS STATE UNIVERSITY RIO GRANDE COLLEGE
(Continued)

1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.		
A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Administrative Cost as a Percent of Total Expenditures	10.6%	10.6%
State Pass Rate of Education EXCET Exam	45.7%	46.1%
Retention Rate of First-time, Full-time, Degree-seeking		
Transfer Students after One Academic Year (Upper-level		
Institutions Only)	84%	84%
A.1.1. Strategy: OPERATIONS SUPPORT	\$ 2,001,450	\$ 2,001,450
A.1.2. Strategy: TEACHING EXPERIENCE SUPPLEMENT	\$ 73,634	\$ 73,635
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 30,407	\$ 34,184
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 103,835	\$ 103,869
A.1.5. Strategy: FORMULA HOLD HARMLESS	\$ 265,231	\$ 265,231
A.1.6. Strategy: CAPITAL EQUITY & EXCELLENCE		
FUNDING	\$ 27,874	\$ 49,366
Capital Equity and Excellence funding.		
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 2,502,431	\$ 2,527,735
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 750,000	\$ 750,000
Educational and general space support.		
B.1.2. Strategy: LEASE OF FACILITIES	\$ 260,591	\$ 260,591
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 1,010,591	\$ 1,010,591
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: SMALL BUSINESS DEVELOPMENT		
CENTER	\$ 109,837	\$ 109,837
C.1.2. Strategy: DOLPH BRISCOE INSTITUTE	\$ 50,000	\$ 50,000
Dolph Briscoe Institute for Local Government.		
C.2.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 2,435,080	\$ 2,435,080
Total, Goal C: SPECIAL ITEM SUPPORT	\$ 2,594,917	\$ 2,594,917
Grand Total, SUL ROSS STATE UNIVERSITY		
RIO GRANDE COLLEGE	\$ 6,107,939	\$ 6,133,243
Method of Financing:		
General Revenue Fund	\$ 5,414,400	\$ 5,439,479
GR Dedicated - Estimated Other Educational and		
General Income Account No. 770	693,539	693,764
Total, Method of Financing	\$ 6,107,939	\$ 6,133,243

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 139,206,332	\$ 141,226,194
Grand Total, THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS	<u><u>\$ 139,206,332</u></u>	<u><u>\$ 141,226,194</u></u>
Method of Financing:		
General Revenue Fund	\$ 94,858,157	\$ 94,597,227
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>44,348,175</u>	<u>46,628,967</u>
Total, Method of Financing	<u><u>\$ 139,206,332</u></u>	<u><u>\$ 141,226,194</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	1,669.5	1,669.5
Number of Full-Time-Equivalent Positions (FTE)-Total	5,803.4	5,803.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	97.9%	97.9%
Percent of Medical School Graduates Entering a Primary Care Residency	58%	58%
Percent of Medical School Graduates Practicing Primary Care in Texas	26%	26%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%	95%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	5.75%	5.75%
A.1.1. Strategy: MEDICAL EDUCATION	\$ 46,122,253	\$ 46,122,253
Output (Volume):		
Number of Combined MD/PhD Graduates	8	8
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	14.1%	14.1%
Minority Admissions as a Percent of Total MD Admissions	15%	15%
Minority Residents as a Percent of Total Residents	15%	15%
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	\$ 5,112,357	\$ 5,112,357
Graduate training in biomedical sciences.		

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
(Continued)

A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	\$	4,709,179	\$	4,709,179
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	1,446,760	\$	1,626,447
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$	439,308	\$	475,342
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	\$	84,525	\$	91,458
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	922,600	\$	925,600
A.3.2. Strategy: MEDICAL LOANS	\$	<u>91,700</u>	\$	<u>91,700</u>
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>58,928,682</u>	\$	<u>59,154,336</u>
B. Goal: PROVIDE RESEARCH SUPPORT Outcome (Results/Impact): Total External Research Expenditures		176,017,680		176,017,680
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$	6,531,905	\$	6,531,905
B.1.2. Strategy: INDIRECT COST RECOVERY	\$	<u>27,462,858</u>	\$	<u>29,561,904</u>
Total, Goal B: PROVIDE RESEARCH SUPPORT	\$	<u>33,994,763</u>	\$	<u>36,093,809</u>
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT C.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$	23,332,953	\$	23,332,953
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	\$	2,222,498	\$	1,955,888
C.2.2. Strategy: DEBT SVC- NORTH CAMPUS EXPANSION Debt service - North Campus expansion.	\$	<u>8,905,428</u>	\$	<u>8,850,850</u>
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	\$	<u>34,460,879</u>	\$	<u>34,139,691</u>
D. Goal: PROVIDE SPECIAL ITEM SUPPORT D.1.1. Strategy: PRIMARY CARE RESIDENCY TRAINING Primary Care Residency Training Program.	\$	1,110,810	\$	1,110,810
D.2.1. Strategy: SCIENCE TEACHER ACCESS TO RESOURCES Program for Science Teacher Access to Resources (STARS).	\$	607,319	\$	621,147
Output (Volume): Number of High School and Middle School Teachers Completing a STARS Program		772		790
D.2.2. Strategy: INNOVATIONS IN MEDICAL TECHNOLOGY Institute for Innovations in Medical Technology.	\$	9,000,000	\$	9,000,000
D.3.1. Strategy: REGIONAL BURN CARE CENTER	\$	103,879	\$	106,401
D.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>1,000,000</u>	\$	<u>1,000,000</u>
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	\$	<u>11,822,008</u>	\$	<u>11,838,358</u>
Grand Total, THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS	\$	<u><u>139,206,332</u></u>	\$	<u><u>141,226,194</u></u>

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER AT DALLAS
(Continued)

Method of Financing:		
General Revenue Fund	\$ 94,858,157	\$ 94,597,227
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>44,348,175</u>	<u>46,628,967</u>
Total, Method of Financing	<u><u>\$ 139,206,332</u></u>	<u><u>\$ 141,226,194</u></u>

2. **Informational Rider–Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, The University of Texas Southwestern Medical Center at Dallas also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$4,305,375 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

		For the Years Ending	
		August 31, <u>2002</u>	August 31, <u>2003</u>
1. Educational and General State Support	\$ 468,067,520	\$ 467,761,224	
Grand Total, THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON	<u><u>\$ 468,067,520</u></u>	<u><u>\$ 467,761,224</u></u>	
Method of Financing:			
General Revenue Fund	\$ 221,985,955	\$ 221,679,659	
GR Dedicated - Estimated Other Educational and General Income Account No. 770	23,186,383	23,186,383	
Interagency Contracts	20,000,000	20,000,000	
Health-Related Institutions Patient Income, estimated	<u>202,895,182</u>	<u>202,895,182</u>	
Total, Method of Financing	<u><u>\$ 468,067,520</u></u>	<u><u>\$ 467,761,224</u></u>	
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	6,302.8	6,302.8	
Number of Full-Time-Equivalent Positions (FTE)-Total	13,832.6	13,832.6	

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.
- A. Goal:** INSTRUCTION/OPERATIONS
Provide instructional and operations support.
- Outcome (Results/Impact):**
Percent of Medical School Students Passing Part 1 or Part 2
of the National Licensing Exam on the First Attempt
- | | |
|-----|-----|
| 94% | 94% |
|-----|-----|

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
(Continued)

Percent of Medical School Graduates Entering a Primary Care Residency	58%	58%
Percent of Medical School Graduates Practicing Primary Care in Texas	52%	52%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%	95%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	89%	89%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	97%	97%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	95%	95%
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	90%	90%
Administrative (Institutional Enhancement) Cost as a Percent of Total Expenditures	3.42%	3.42%
A.1.1. Strategy: MEDICAL EDUCATION	\$ 53,060,053	\$ 53,002,671
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	23%	23%
Minority Admissions as a Percent of Total MD Admissions	25%	25%
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	\$ 4,081,233	\$ 4,076,820
Graduate training in biomedical sciences.		
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	\$ 6,275,120	\$ 6,268,334
A.1.4. Strategy: NURSING EDUCATION	\$ 7,158,339	\$ 7,150,598
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 17,301,632	\$ 19,450,494
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 1,226,415	\$ 1,226,415
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 418,776	\$ 418,776
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,053,002	\$ 1,053,002
A.3.2. Strategy: MEDICAL LOANS	\$ 155,162	\$ 155,162
A.4.1. Strategy: FORMULA HOLD HARMLESS	\$ 789,505	\$ 789,505
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 91,519,237	\$ 93,591,777
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	79,450,628	79,450,628
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$ 3,761,805	\$ 3,761,805
B.1.2. Strategy: INDIRECT COST RECOVERY	\$ 13,081,660	\$ 12,947,018
Total, Goal B: PROVIDE RESEARCH SUPPORT	\$ 16,843,465	\$ 16,708,823
C. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
C.1.1. Strategy: E&G SPACE SUPPORT	\$ 19,464,985	\$ 19,443,935
Educational and general space support.		
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 711,727	\$ 423,569
C.2.2. Strategy: CAPITAL PROJECTS	\$ 21,931,285	\$ 21,998,628
Total, Goal C: INFRASTRUCTURE SUPPORT	\$ 42,107,997	\$ 41,866,132

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
(Continued)

D. Goal: PROVIDE HEALTH CARE SUPPORT			
Outcome (Results/Impact):			
Percent of Medical Residency Completers Practicing in Texas	50%		50%
Total Gross Patient Charges for Un-sponsored Charity Care			
Provided in State-owned Facilities	189,861,500		189,861,000
Total Gross Patient Charges (Excluding Un-sponsored Charity			
Care) Provided in State-owned Facilities	552,077,000		552,077,000
D.1.1. Strategy: MEDICAL BRANCH HOSPITALS	\$ 300,643,115	\$	298,649,770
Output (Volume):			
Total Number of Outpatient Visits	770,271		770,271
Total Number of Inpatient Days	175,077		175,077
Explanatory:			
Minority MD or DO Residents as a Percent of Total MD or			
DO Residents	18%		18%
E. Goal: PROVIDE SPECIAL ITEM SUPPORT			
E.1.1. Strategy: HYPERBARIC TREATMENT AND			
RESEARCH	\$ 100,000	\$	100,000
E.2.1. Strategy: CHRONIC HOME DIALYSIS CENTER	\$ 2,268,079	\$	2,265,807
E.2.2. Strategy: PRIMARY CARE PHYSICIAN			
SERVICES	\$ 7,265,592	\$	7,260,071
E.2.3. Strategy: EAST TEXAS HEALTH EDUCATION			
CENTERS	\$ 2,320,035	\$	2,318,844
East Texas Area Health Education Centers.			
E.2.4. Strategy: SUPPORT FOR INDIGENT CARE	\$ 4,000,000	\$	4,000,000
E.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	<u>\$ 1,000,000</u>	<u>\$</u>	<u>1,000,000</u>
 Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	 <u>\$ 16,953,706</u>	 <u>\$</u>	 <u>16,944,722</u>
Grand Total, THE UNIVERSITY OF TEXAS			
MEDICAL BRANCH AT			
GALVESTON	<u>\$ 468,067,520</u>	<u>\$</u>	<u>467,761,224</u>
Method of Financing:			
General Revenue Fund	\$ 221,985,955	\$	221,679,659
GR Dedicated - Estimated Other Educational and			
General Income Account No. 770	23,186,383		23,186,383
Interagency Contracts	20,000,000		20,000,000
Health-Related Institutions Patient Income, estimated	<u>202,895,182</u>	<u></u>	<u>202,895,182</u>
 Total, Method of Financing	 <u>\$ 468,067,520</u>	 <u>\$</u>	 <u>467,761,224</u>

2. **Appropriation of Charges and Fees.** There is hereby appropriated to The University of Texas Medical Branch at Galveston all charges and fees collected for the general expenses of the medical branch hospitals, including maintenance, support, and salaries of employees for the fiscal years ending August 31, 2002 and 2003.
3. **Rates, Donations and Gifts.** The Board of Regents of The University of Texas System shall fix reasonable rates to be charged and collected by hospitals, and may make and enter into contracts for the hospitalization of the indigent sick and accept donations and gifts for the support and maintenance of the hospitals and may utilize up to \$5 million per annum of local income to match any gift made to endowments provided, however, such match will not result in any reduction in the level of services for patients or any requirement for

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
(Continued)

general revenue replacement. Any project initiated under this authorization shall not be structured in such a manner that will require future specific appropriation of general revenue. Provided, however, that this provision shall not be construed so as to authorize, without the prior and specific approval of the Legislature, the acceptance of real property which would require an appropriation by the Legislature for maintenance, repair, or construction of buildings.

4. **Helicopter Operation.** The University of Texas Medical Branch at Galveston is authorized to lease and operate a helicopter for the purpose of transporting critically ill or emergency patients to the medical branch hospitals. No state funds are to be used for the operation of this helicopter, except where the patient served is indigent or through an interagency contract with another state agency, or unless costs are reimbursed from insurance proceeds.
5. **Transfers of Appropriations - State Owned Hospitals.** The University of Texas Medical Branch at Galveston shall transfer from non-Medicaid state appropriated funds \$100,017,317 in fiscal year 2002 and \$100,017,317 in fiscal year 2003 to the Department of Health. The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Department of Health. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds.
6. **Appropriation of Costs for Health Care to Inmates.** None of the funds appropriated above shall be expended to provide or support the provision of health care to inmates of the Texas Department of Criminal Justice. It is the intent of the Legislature that all costs for providing health care to inmates of the TDCJ including costs of operating TDCJ hospital facilities in Galveston County and Lubbock County shall be paid from appropriations made to the TDCJ and from any financial reserves from contracts with TDCJ that are held by the university for the correctional health care services. Appropriations made to the TDCJ for the provision of inmate health care services shall be expended in accordance with Chapter 501, Government Code, § 501.059.
7. **Informational Rider—Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, The University of Texas Medical Branch at Galveston also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$3,132,810 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).
8. **Support of Student and Resident Training Programs.** The University of Texas Medical Branch at Galveston may spend any revenue appropriated to the institution by this Act or from other available funds for the support and development of student and resident training programs in Austin, including the payment of compensation, travel costs, costs for leased premises, and other operating expenses.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 155,703,429	\$ 156,296,125
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	<u><u>\$ 155,703,429</u></u>	<u><u>\$ 156,296,125</u></u>
Method of Financing:		
General Revenue Fund	\$ 124,729,579	\$ 124,368,217
GR Dedicated - Estimated Other Educational and General Income Account No. 770	28,618,045	29,565,473
Health-Related Institutions Patient Income, estimated	<u>2,355,805</u>	<u>2,362,435</u>
Total, Method of Financing	<u><u>\$ 155,703,429</u></u>	<u><u>\$ 156,296,125</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	1,945.8	1,945.8
Number of Full-Time-Equivalent Positions (FTE)-Total	4,750.0	4,803.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS

Provide instructional and operations support.

Outcome (Results/Impact):

Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	94%	94%
Percent of Medical School Graduates Entering a Primary Care Residency	58%	58%
Percent of Medical School Graduates Practicing Primary Care in Texas	28%	28%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	22%	22%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	99%	99%
Percent of Dental School Graduates Who Are Licensed in Texas	90%	90%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	100%	100%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	98%	98%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	95%	95%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	97%	97%
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	65%	65%

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
(Continued)

Percent of Public Health School Graduates Who Are Employed in Texas	70%	70%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	10.45%	10.45%
A.1.1. Strategy: MEDICAL EDUCATION	\$ 45,878,275	\$ 45,877,316
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	16%	16%
Minority MD Admissions as a Percent of Total MD Admissions	15%	15%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	24%	24%
A.1.2. Strategy: DENTAL EDUCATION	\$ 17,720,952	\$ 17,720,581
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	10%	10%
A.1.3. Strategy: BIOMEDICAL SCIENCES TRAINING	\$ 5,813,232	\$ 5,813,111
Graduate training in biomedical sciences.		
A.1.4. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	\$ 2,274,924	\$ 2,274,876
A.1.5. Strategy: NURSING EDUCATION	\$ 7,646,148	\$ 7,645,988
A.1.6. Strategy: GRADUATE TRAINING IN PUBLIC HEALTH	\$ 13,031,663	\$ 13,031,390
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 2,877,417	\$ 3,234,793
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 633,838	\$ 633,838
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 61,797	\$ 61,797
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 1,323,098	\$ 1,330,593
A.3.2. Strategy: MEDICAL LOANS	<u>\$ 143,287</u>	<u>\$ 143,957</u>
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 97,404,631</u>	<u>\$ 97,768,240</u>
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	108,789,000	108,789,000
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$ 4,488,707	\$ 4,488,707
B.1.2. Strategy: INDIRECT COST RECOVERY	<u>\$ 17,915,886</u>	<u>\$ 18,523,509</u>
Total, Goal B: PROVIDE RESEARCH SUPPORT	<u>\$ 22,404,593</u>	<u>\$ 23,012,216</u>
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	\$ 20,231,740	\$ 20,231,317
Educational and general space support.		
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	<u>\$ 3,047,697</u>	<u>\$ 2,673,654</u>
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	<u>\$ 23,279,437</u>	<u>\$ 22,904,971</u>
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Total Gross Patient Charges for Un-sponsored Charity Care Provided in State-owned Facilities	22,932,222	22,932,222
Total Gross Patient Charges (Excluding Un-sponsored Charity Care) Provided in State-owned Facilities	14,932,032	14,932,032
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	\$ 2,703,477	\$ 2,693,775

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON
(Continued)

E. Goal: PROVIDE SPECIAL ITEM SUPPORT			
E.2.1. Strategy: HEART DISEASE/STROKE RESEARCH	\$	3,000,000	\$ 3,000,000
Heart disease and stroke research.			
E.2.2. Strategy: BIOTECHNOLOGY PROGRAM	\$	1,000,000	\$ 1,000,000
E.3.1. Strategy: HARRIS COUNTY HOSPITAL			
DISTRICT	\$	4,344,666	\$ 4,350,676
E.3.2. Strategy: SERVICE DELIVERY VALLEY/BORDER	\$	566,625	\$ 566,247
Service delivery in the Valley/Border region.			
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>1,000,000</u>	\$ <u>1,000,000</u>
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	\$	<u>9,911,291</u>	\$ <u>9,916,923</u>

Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON	\$	<u>155,703,429</u>	\$ <u>156,296,125</u>
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Method of Financing:			
General Revenue Fund	\$	124,729,579	\$ 124,368,217
GR Dedicated - Estimated Other Educational and General Income Account No. 770		28,618,045	29,565,473
Health-Related Institutions Patient Income, estimated		<u>2,355,805</u>	<u>2,362,435</u>
Total, Method of Financing	\$	<u>155,703,429</u>	\$ <u>156,296,125</u>

2. **Texas Heart Institute.** Out of the funds appropriated above, the institution shall allocate \$894,133 in each year of the biennium to the Texas Heart Institute for gene therapy and \$399,086 in each year of the biennium to the Texas Heart Institute for cardiovascular research.
3. **Informational Rider–Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, The University of Texas Health Science Center at Houston also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$2,870,100 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

		For the Years Ending	
		August 31, <u>2002</u>	August 31, <u>2003</u>
1. Educational and General State Support	\$	138,177,853	\$ 137,420,116
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	\$	<u>138,177,853</u>	\$ <u>137,420,116</u>

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
(Continued)

Method of Financing:		
General Revenue Fund	\$ 117,425,448	\$ 116,667,712
GR Dedicated - Estimated Other Educational and General Income		
Account No. 770	20,060,248	20,060,248
Health-Related Institutions Patient Income, estimated	<u>692,157</u>	<u>692,156</u>
Total, Method of Financing	<u><u>\$ 138,177,853</u></u>	<u><u>\$ 137,420,116</u></u>
Number of Full-Time-Equivalent Positions (FTE)-		
Appropriated Funds	2,248.1	2,248.1
Number of Full-Time-Equivalent Positions (FTE)-Total	4,873.1	5,004.1

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	94.5%	94.5%
Percent of Medical School Graduates Entering a Primary Care Residency	58%	58%
Percent of Medical School Graduates Practicing Primary Care in Texas	30%	30%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	26%	26%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	94%	94%
Percent of Dental School Graduates Who Are Licensed in Texas	90%	90%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95.7%	95.7%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	94%	94%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	98%	98%
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	85%	85%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	6.2%	6.2%
A.1.1. Strategy: MEDICAL EDUCATION	\$ 46,167,161	\$ 46,166,518
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	28%	28%
Minority MD Admissions as a Percent of Total MD Admissions	26%	26%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	26%	26%
A.1.2. Strategy: DENTAL EDUCATION	\$ 22,236,899	\$ 22,236,590
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	22%	22%
A.1.3. Strategy: BIOMEDICAL SCIENCES TRAINING	\$ 3,171,274	\$ 3,171,230
Graduate training in biomedical sciences.		

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
(Continued)

A.1.4. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	\$	6,089,889	\$	6,089,804
A.1.5. Strategy: NURSING EDUCATION	\$	6,408,999	\$	6,408,910
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	2,144,682	\$	2,411,051
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$	371,063	\$	371,063
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	\$	168,942	\$	168,942
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	1,348,126	\$	1,348,126
A.3.2. Strategy: MEDICAL LOANS	\$	152,001	\$	152,001
A.4.1. Strategy: FORMULA HOLD HARMLESS	\$	<u>1,792,002</u>	\$	<u>1,792,002</u>
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>90,051,038</u>	\$	<u>90,316,237</u>
B. Goal: PROVIDE RESEARCH SUPPORT				
Outcome (Results/Impact):				
Total External Research Expenditures		82,000,000		82,000,000
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$	3,566,709	\$	3,566,709
B.1.2. Strategy: INDIRECT COST RECOVERY	\$	<u>9,945,993</u>	\$	<u>9,781,486</u>
Total, Goal B: PROVIDE RESEARCH SUPPORT	\$	<u>13,512,702</u>	\$	<u>13,348,195</u>
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT				
C.1.1. Strategy: E&G SPACE SUPPORT	\$	17,136,441	\$	17,136,202
Educational and general space support.				
C.2.1. Strategy: TUITION REVENUE BOND				
RETIREMENT	\$	<u>993,038</u>	\$	<u>993,038</u>
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	\$	<u>18,129,479</u>	\$	<u>18,129,240</u>
D. Goal: PROVIDE HEALTH CARE SUPPORT				
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	\$	2,916,696	\$	2,908,482
E. Goal: PROVIDE SPECIAL ITEM SUPPORT				
E.1.1. Strategy: SOUTH TEXAS PROFESSIONAL EDUCATION	\$	7,500,000	\$	6,650,000
South Texas Border Region health professional education.				
Output (Volume):				
Number of Certificate, Associate, and Baccalaureate Degree Students Participating in Programs in South Texas Area		738		738
Number of Medical and Dental Students and Postbaccalaureate Allied Health, Nursing, and Graduate Students Participating in Programs in South Texas Area		1,828		1,828
Number of Resident Physicians and Dentists Participating In Programs in South Texas Area		144		144
E.1.2. Strategy: REGIONAL ACADEMIC HLTH CTR-MEDICAL	\$	1,500,000	\$	1,500,000
Regional Academic Health Center - Medical.				
E.1.3. Strategy: LAREDO EXTENSION CAMPUS	\$	500,000	\$	500,000
E.1.4. Strategy: OUTREACH SUPPORT-SOUTH TX PROGRAMS	\$	2,000,000	\$	2,000,000
Institutional support for South Texas programs.				
E.2.1. Strategy: FAMILY PRACTICE RESIDENCY TRAINING	\$	645,908	\$	645,926
Family Practice Residency Training Program.				

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
(Continued)

E.2.2. Strategy: PODIATRY RESIDENCY TRAINING Podiatry Residency Training Program.	\$	202,595	\$	202,601
E.3.1. Strategy: MYCOBACTERIAL-MYCOLOGY RESEARCH LAB	\$	219,435	\$	219,435
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>1,000,000</u>	\$	<u>1,000,000</u>
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	\$	<u>13,567,938</u>	\$	<u>12,717,962</u>
Grand Total, THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO	\$	<u>138,177,853</u>	\$	<u>137,420,116</u>
Method of Financing:				
General Revenue Fund	\$	117,425,448	\$	116,667,712
GR Dedicated - Estimated Other Educational and General Income Account No. 770		20,060,248		20,060,248
Health-Related Institutions Patient Income, estimated		<u>692,157</u>		<u>692,156</u>
Total, Method of Financing	\$	<u>138,177,853</u>	\$	<u>137,420,116</u>

2. **South Texas/Border Region Health Professional Education.** Out of the amounts appropriated above \$7,500,000 for the fiscal year ending August 31, 2002, and \$6,650,000 for the fiscal year ending August 31, 2003, shall be used by the institution to expand graduate medical education, including family practice resident training programs, and other health professional education in the South Texas/Border Region.
- a. Of the funds appropriated for this purpose \$3,000,000 for the fiscal year ending August 31, 2002, and \$2,750,000 for the fiscal year ending August 31, 2003, shall be used by the institution for the Lower Rio Grande Valley in Cameron, Hidalgo, Starr, and Willacy Counties, to plan, initiate, and expand residency programs in pediatrics, psychiatry, family practice, obstetrics-gynecology, and internal medicine as appropriate; develop training programs in dentistry, nursing, and allied health; enhance existing clinical training sites; develop community resources and seek private support to supplement appropriated funds; recruit faculty and staff; and initiate appropriate medical library resources development.
- b. Of the funds appropriated for this purpose \$2,000,000 for the fiscal year ending August 31, 2002, and \$1,700,000 for the fiscal year ending August 31, 2003, shall be used in the Middle Rio Grande Border Area, to be established in Webb County but to serve Zapata, Jim Hogg, Duval, McMullen, La Salle, Dimmit, and Maverick Counties, to plan, initiate, and expand programs in primary care residencies, and allied health, nursing, and dentistry; enhance clinical training sites; develop community resources and seek private support to supplement appropriated funds; recruit faculty and staff; and initiate appropriate medical library resources.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
(Continued)

- c. Of the funds appropriated for this purpose \$1,750,000 for the fiscal year ending August 31, 2002, and \$1,500,000 for the fiscal year ending August 31, 2003, shall be used in Corpus Christi and the Coastal Bend Area to develop or expand, among other things, undergraduate clinical programs, primary care residency programs, allied health programs, medical library resources, and faculty development.
 - d. Of the funds appropriated for this purpose \$650,000 for the fiscal year ending August 31, 2002, and \$600,000 for the fiscal year ending August 31, 2003, shall be used in the Winter Garden Region in Edwards, Kinney, Maverick, Uvalde, Val Verde and Zavala Counties to plan, initiate, and expand programs in allied health and nursing; enhance clinical training sites; develop community resources and seek private support to supplement appropriated funds; recruit faculty and staff; and initiate appropriate medical library distance learning and telehealth resources.
 - e. Of the funds appropriated for this purpose \$100,000 for fiscal year ending August 31, 2002, and \$100,000 for fiscal year ending August 31, 2003, shall be used in the South Central Texas Region to be established in Bexar County but to serve Atascosa, Bandera, Comal, Frio, Gillespie, Guadalupe, Kames, Kendell, Kerr, Medina, and Wilson Counties to plan, initiate, and expand programs in allied health, nursing, and undergraduate medical or dental education; provide health career opportunity programs to appropriate grade students; enhance community-based clinical training sites; develop community-based faculty; and initiate appropriate medical library distance learning and telehealth resources.
 - f. None of the funds appropriated according to this provision shall be used by UTHSCSA for the purpose of providing administrative support to the educational programs in the regions specified by parts a, b, c, d, or e of this provision. In addition, none of the funds identified by this provision shall be used on the campus of UTHSCSA for administrative purposes.
 - g. Any unexpended balances remaining in the appropriations identified in parts a, b, c, d, or e of this provision from the fiscal year ending August 31, 2002, are appropriated to UTHSCSA for their original purposes and shall be used with funds appropriated by this provision for the fiscal year ending August 31, 2003, to continue to expand health professional programs and medical residency programs named in the previous subsections; provide needed support for direct medical education involving the Lower Rio Grande Valley, the Middle Rio Grande Area, the Corpus Christi/Coastal Bend Area, and the Winter Garden Region; and continue any needed infrastructure development. Hospital and clinic facilities for teaching and training purposes will be provided and maintained at no expense to the state.
 - h. A report by the Health Science Center shall be filed with the Legislative Budget Board and the Governor on or before December 1, 2002, concerning the use of the funds appropriated by this section and the extent to which the purposes specified by this section have been achieved.
3. **Nursing and Medical Technology Program.** It is the intent of the Legislature that the University of Texas Health Science Center in San Antonio continue to assist Sul Ross State University Rio Grande College with the baccalaureate degree program in nursing from funds appropriated above, and that it further work with both Sul Ross State University and Southwest

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
(Continued)

Texas Junior College in establishing a baccalaureate degree program in medical technology. From funds appropriated above, at least \$100,000 in each year of the biennium shall be expended for the medical technology program.

4. **Informational Rider–Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, The University of Texas Health Science Center at San Antonio also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$10,633,590 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 862,932,138	\$ 939,319,079
Grand Total, THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER	<u>\$ 862,932,138</u>	<u>\$ 939,319,079</u>
Method of Financing:		
General Revenue Fund	\$ 136,916,658	\$ 136,924,278
GR Dedicated - Estimated Other Educational and General Income Account No. 770	53,176,623	56,232,184
Health-Related Institutions Patient Income, estimated	<u>672,838,857</u>	<u>746,162,617</u>
Total, Method of Financing	<u>\$ 862,932,138</u>	<u>\$ 939,319,079</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	7,861.4	7,861.4
Number of Full-Time-Equivalent Positions (FTE)-Total	10,841.6	10,977.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
A.1.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 38,093,413	\$ 42,824,614
A.1.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 1,772,865	\$ 1,794,300
A.1.3. Strategy: UNEMPLOYMENT INSURANCE	<u>\$ 1,633,352</u>	<u>\$ 1,653,100</u>
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 41,499,630</u>	<u>\$ 46,272,014</u>

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
(Continued)

B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	132,125,000	136,232,000
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$ 6,070,836	\$ 6,070,836
B.1.2. Strategy: INDIRECT COST RECOVERY	\$ 29,423,930	\$ 33,081,776
B.1.3. Strategy: SCIENCE PARK OPERATIONS	<u>\$ 5,419,111</u>	<u>\$ 5,416,832</u>
Total, Goal B: PROVIDE RESEARCH SUPPORT	<u>\$ 40,913,877</u>	<u>\$ 44,569,444</u>
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	\$ 51,663,313	\$ 53,458,577
Educational and general space support.		
C.2.1. Strategy: LONG-TERM CAPITAL PROGRAM	\$ 35,000,000	\$ 40,000,000
C.2.2. Strategy: LONG-TERM CAPITAL EQUIPMENT	<u>\$ 35,000,000</u>	<u>\$ 35,000,000</u>
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	<u>\$ 121,663,313</u>	<u>\$ 128,458,577</u>
D. Goal: PROVIDE HEALTH CARE SUPPORT		
Outcome (Results/Impact):		
Percent of Medical Residency Completers Practicing in Texas	39%	39%
Total Gross Charges for Un-sponsored Charity Care in State-owned Facilities	96,034,000	97,144,000
Total Gross Patient Charges (Excluding Un-sponsored Charity Care) Provided in State-owned Facilities	1,041,170,000	1,170,283,000
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	8.5%	8.5%
D.1.1. Strategy: PATIENT CARE ACTIVITIES	\$ 655,855,318	\$ 717,019,044
Output (Volume):		
Total Number of Outpatient Visits	487,473	511,847
Total Number of Inpatient Days	144,026	148,901
Explanatory:		
Minority Residents as a Percent of Total Residents	15%	15%
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.2.1. Strategy: RESEARCH SUPPORT	\$ 2,000,000	\$ 2,000,000
E.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>
Grand Total, THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER		
	<u><u>\$ 862,932,138</u></u>	<u><u>\$ 939,319,079</u></u>
Method of Financing:		
General Revenue Fund	\$ 136,916,658	\$ 136,924,278
GR Dedicated - Estimated Other Educational and General Income Account No. 770	53,176,623	56,232,184
Health-Related Institutions Patient Income, estimated	<u>672,838,857</u>	<u>746,162,617</u>
Total, Method of Financing	<u><u>\$ 862,932,138</u></u>	<u><u>\$ 939,319,079</u></u>

2. **Special Project Funding.** Notwithstanding other provisions of this article, the Board of Regents of The University of Texas System is hereby authorized, subject to approval by the Texas Higher Education Coordinating Board: (1) to expend such amounts of its Permanent University Fund bond proceeds and/or other bond proceeds and

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
(Continued)

such amounts of its other available moneys as may be necessary to fund the following project either in whole or in part; (2) to accept gifts, grants, and matching grants to fund such project either in whole or in part; and (3) to acquire, construct, alter, add to, repair, rehabilitate, equip and/or furnish such project for The University of Texas M. D. Anderson Cancer Center: (a) replacement research facility; and (b) ambulatory patient care facility.

3. **Transfers of Appropriations - State Owned Hospitals.** The University of Texas M. D. Anderson Cancer Center shall transfer from non-Medicaid state appropriated funds \$82,379,683 in fiscal year 2002 and \$82,379,683 in fiscal year 2003 to the Department of Health. The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Department of Health. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds. The transfers, however, shall be made not less frequently than monthly.
4. **Informational Rider—Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, The University of Texas M. D. Anderson Cancer Center also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$6,132,015 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).
5. **Animal Facilities and Programs.** The animal facilities and programs of the Department of Veterinary Sciences at the University of Texas M. D. Anderson Cancer Center (UTMDACC) - Bastrop shall be regulated and inspected by the United States Department of Agriculture, Animal and Planet Health Inspection Services, pursuant to the Federal Animal Welfare Act. The UTMDACC - Bastrop Department of Veterinary Sciences shall comply with the regulations and is under the oversight of the United States Public Health Service/National Institutes of Health Office of Laboratory Animal Welfare. The UTMDACC - Bastrop Department of Veterinary Sciences shall be independently accredited for animal care programs and facilities by the Council on Accreditation of the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC International). The Department shall be accredited by this body. It shall also be inspected regularly and its programs reviewed biannually by the UTMDACC Institutional Animal Care and Use Committee.

THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 72,150,571	\$ 72,547,323
Grand Total, THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER	<u><u>\$ 72,150,571</u></u>	<u><u>\$ 72,547,323</u></u>

THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER
(Continued)

Method of Financing:		
General Revenue Fund	\$ 32,373,133	\$ 32,386,724
GR Dedicated - Estimated Other Educational and General Income Account No. 770	785,675	793,309
Health-Related Institutions Patient Income, estimated	<u>38,991,763</u>	<u>39,367,290</u>
Total, Method of Financing	<u><u>\$ 72,150,571</u></u>	<u><u>\$ 72,547,323</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds		
	1,071.4	1,071.4
Number of Full-Time-Equivalent Positions (FTE)-Total	1,204.8	1,204.8

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: PROVIDE INSTRUCTION/OPERATIONS Provide instructional and operations support.		
A.1.1. Strategy: MEDICAL EDUCATION & RESEARCH ITEMS	\$ 1,810,000	\$ 1,810,000
Medical education, benefits for TDH physicians, infectious disease control, occupational/env health research.		
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 2,667,825	\$ 2,999,168
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 495,415	\$ 495,338
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 92,890	\$ 92,876
A.3.1. Strategy: FORMULA HOLD HARMLESS	<u>\$ 211,281</u>	<u>\$ 211,281</u>
Total, Goal A: PROVIDE INSTRUCTION/OPERATIONS	<u>\$ 5,277,411</u>	<u>\$ 5,608,663</u>
B. Goal: PROVIDE RESEARCH SUPPORT Outcome (Results/Impact): Total External Research Expenditures		
	4,061,427	4,061,427
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$ 1,622,789	\$ 1,622,789
B.1.2. Strategy: INDIRECT COST RECOVERY	<u>\$ 721,361</u>	<u>\$ 722,446</u>
Total, Goal B: PROVIDE RESEARCH SUPPORT	<u>\$ 2,344,150</u>	<u>\$ 2,345,235</u>
C. Goal: INFRASTRUCTURE SUPPORT Provide infrastructure support.		
C.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$ 2,176,087	\$ 2,177,895
D. Goal: PROVIDE HEALTH CARE SUPPORT Outcome (Results/Impact): Percent of Medical Residency Completers Practicing in Texas		
	90%	90%
Total Gross Charges for Un-sponsored Charity Care in State-owned Facilities	16,177,269	16,177,269
Total Gross Patient Charges (Excluding Un-sponsored Charity Care) Provided in State-owned Facilities	76,890,761	76,890,761
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	6.5%	6.5%

THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER
(Continued)

D.1.1. Strategy: PATIENT CARE ACTIVITIES	\$	53,478,027	\$	53,541,236
Output (Volume):				
Total Number of Outpatient Visits		136,208		136,208
Total Number of Inpatient Days		30,466		30,466
Explanatory:				
Minority MD or DO Residents as a Percent of Total MD or DO Residents		16.7%		16.7%
E. Goal: PROVIDE SPECIAL ITEM SUPPORT				
E.1.1. Strategy: NORTHEAST TEXAS INITIATIVE	\$	5,000,000	\$	5,000,000
E.2.1. Strategy: FAMILY PRACTICE RESIDENCY TRAINING	\$	1,374,896	\$	1,374,294
Family Practice Residency Training Program.				
E.3.1. Strategy: SUPPORT FOR INDIGENT CARE	\$	1,500,000	\$	1,500,000
E.4.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>1,000,000</u>	\$	<u>1,000,000</u>
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	\$	<u>8,874,896</u>	\$	<u>8,874,294</u>
Grand Total, THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER	\$	<u><u>72,150,571</u></u>	\$	<u><u>72,547,323</u></u>
Method of Financing:				
General Revenue Fund	\$	32,373,133	\$	32,386,724
GR Dedicated - Estimated Other Educational and General Income Account No. 770		785,675		793,309
Health-Related Institutions Patient Income, estimated		<u>38,991,763</u>		<u>39,367,290</u>
Total, Method of Financing	\$	<u><u>72,150,571</u></u>	\$	<u><u>72,547,323</u></u>

2. **Rates, Donations and Gifts.** The Board of Regents of The University of Texas System shall fix reasonable rates to be charged and collected from pay patients of the center, and may make and enter into contracts for the hospitalization of the indigent sick and accept donations and gifts for the support and maintenance of the center; provided, however, that this provision should not be construed so as to authorize, without prior and specific approval of the Legislature, acceptance of real property which would require an appropriation by the Legislature for maintenance, repair, or construction of buildings.
3. **Transfers of Appropriations - State Owned Hospitals.** The University of Texas Health Center at Tyler shall transfer from non-Medicaid state appropriated funds \$12,180,087 in fiscal year 2002 and \$12,180,087 in fiscal year 2003 to the Department of Health. The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Department of Health. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds.
4. **Informational Rider – Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, The University of Texas Health Center at Tyler also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$2,279,003 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).

TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 64,730,037	\$ 63,187,583
Grand Total, TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER	<u><u>\$ 64,730,037</u></u>	<u><u>\$ 63,187,583</u></u>
Method of Financing:		
General Revenue Fund	\$ 56,892,221	\$ 55,352,201
GR Dedicated - Estimated Other Educational and General Income Account No. 770	4,850,320	4,850,201
Health-Related Institutions Patient Income, estimated	<u>2,987,496</u>	<u>2,985,181</u>
Total, Method of Financing	<u><u>\$ 64,730,037</u></u>	<u><u>\$ 63,187,583</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	747.5	747.5
Number of Full-Time-Equivalent Positions (FTE)-Total	899.6	899.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	97%	97%
Percent of Medical School Graduates Entering a Primary Care Residency	71%	71%
Percent of Medical School Graduates Practicing Primary Care in Texas	30%	30%
Percent of Dental School Graduates Admitted to an Advanced Education Program in General Dentistry	15%	15%
Percent of Dental School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	92%	92%
Percent of Dental School Graduates Who Are Licensed in Texas	93%	93%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	96%	96%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	93%	93%
Percent of Rural Public Health School Graduates Who Are Employed in Texas	50%	50%
Administrative Cost as a Percent of Total Expenditures	12%	12%
A.1.1. Strategy: MEDICAL EDUCATION	\$ 17,871,500	\$ 17,870,437
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	14%	14%
Minority Admissions as a Percent of Total MD Admissions	15%	15%

TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
(Continued)

Minority MD or DO Residents as a Percent of Total MD or DO Residents	15%	15%
A.1.2. Strategy: DENTAL EDUCATION	\$ 22,166,336	\$ 22,165,017
Explanatory:		
Minority Admissions as a Percent of Total Dental School Admissions	10%	10%
A.1.3. Strategy: DENTAL HYGIENE EDUCATION	\$ 859,994	\$ 859,943
A.1.4. Strategy: BIOMEDICAL SCIENCES TRAINING	\$ 1,900,399	\$ 1,900,286
Graduate training in biomedical sciences.		
A.1.5. Strategy: RURAL PUBLIC HEALTH TRAINING	\$ 3,048,709	\$ 3,048,527
Graduate training in rural public health.		
A.3.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 444,352	\$ 499,540
A.3.2. Strategy: WORKERS' COMPENSATION		
INSURANCE	\$ 107,629	\$ 107,732
A.3.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 55,335	\$ 55,425
A.4.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 551,156	\$ 551,156
A.4.2. Strategy: MEDICAL LOANS	\$ 35,000	\$ 35,000
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 47,040,410	\$ 47,093,063
B. Goal: PROVIDE RESEARCH SUPPORT		
Outcome (Results/Impact):		
Total External Research Expenditures	15,249,376	15,249,376
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$ 2,147,498	\$ 2,147,498
B.1.2. Strategy: INDIRECT COST RECOVERY	\$ 797,975	\$ 787,247
Total, Goal B: PROVIDE RESEARCH SUPPORT	\$ 2,945,473	\$ 2,934,745
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT		
C.1.1. Strategy: E&G SPACE SUPPORT	\$ 5,540,489	\$ 5,540,159
Educational and general space support.		
C.2.1. Strategy: TUITION REVENUE BOND		
RETIREMENT	\$ 635,151	\$ 634,471
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	\$ 6,175,640	\$ 6,174,630
D. Goal: PROVIDE HEALTH CARE SUPPORT		
D.1.1. Strategy: DENTAL CLINIC OPERATIONS	\$ 2,500,174	\$ 2,479,953
E. Goal: PROVIDE SPECIAL ITEM SUPPORT		
E.1.1. Strategy: COASTAL BEND HEALTH EDUCATION		
CTR	\$ 3,068,340	\$ 1,505,192
Coastal Bend Health Education Center.		& UB
E.1.2. Strategy: S. TEXAS RURAL PUBLIC HEALTH		
CTR	\$ 1,000,000	\$ 1,000,000
South Texas Center for Rural Public Health.		
E.2.1. Strategy: MULTICAMPUS INSTIT ENHANCEMENT	\$ 2,000,000	\$ 2,000,000
Multicampus (2) institutional enhancement.		
Total, Goal E: PROVIDE SPECIAL ITEM SUPPORT	\$ 6,068,340	\$ 4,505,192
Grand Total, TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER	\$ 64,730,037	\$ 63,187,583

TEXAS A&M UNIVERSITY SYSTEM HEALTH SCIENCE CENTER
(Continued)

Method of Financing:		
General Revenue Fund	\$ 56,892,221	\$ 55,352,201
GR Dedicated - Estimated Other Educational and General Income Account No. 770	4,850,320	4,850,201
Health-Related Institutions Patient Income, estimated	<u>2,987,496</u>	<u>2,985,181</u>
Total, Method of Financing	<u><u>\$ 64,730,037</u></u>	<u><u>\$ 63,187,583</u></u>

2. **Medical Program.** Texas A&M University System Health Science Center is hereby authorized to unite with Scott & White Clinic, Scott & White Memorial Hospital, and the Scott, Sherwood, and Brindley Foundation as its long-term primary partners for high quality clinical education and research for the benefit of the citizens of Texas. Texas A&M University System Health Science Center is additionally authorized to collaborate with the Central Texas Veterans' Health Care System, Darnall Army Community Hospital, and Driscoll Children's Hospital. Research conducted by Texas A&M University System Health Science Center faculty under the contract with its primary clinical partner to provide clinical education and research services shall be considered in the formula calculations for the Research Enhancement and E&G Space Support strategies.
3. **Cardiovascular Research Institute.** Out of the amounts appropriated above, \$2,055,000 in fiscal year 2002 and \$2,305,000 in fiscal year 2003 shall be expended by the institution for Cardiovascular Research Institute activities conducted primarily at the health science center facilities in Temple. It is the intent of the Legislature that these funds would be an addition to the amounts allocated to the Temple campus for the normal operation and maintenance of programs and facilities during the biennium.
4. **Coastal Bend Health Education Center.** Out of funds appropriated above in Strategy E.1.1, Coastal Bend Health Education Center, \$568,340 in fiscal year 2002 and \$505,192 in fiscal year 2003 shall be used to operate a local area network among coastal distance education sites, provide electronic library access, and develop allied health programs with area general academic institutions.
5. **Informational Rider--Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, Texas A&M University System Health Science Center also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$2,296,800 in each year of the 2002-03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 46,583,207	\$ 46,714,032
Grand Total , UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH	<u>\$ 46,583,207</u>	<u>\$ 46,714,032</u>
Method of Financing:		
General Revenue Fund	\$ 41,830,524	\$ 41,836,349
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>4,752,683</u>	<u>4,877,683</u>
Total, Method of Financing	<u>\$ 46,583,207</u>	<u>\$ 46,714,032</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	797.0	797.0
Number of Full-Time-Equivalent Positions (FTE)-Total	1,172.2	1,183.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	95%	95%
Percent of Medical School Graduates Entering a Primary Care Residency	71%	71%
Percent of Medical School Graduates Practicing Primary Care in Texas	36.1%	36.1%
Percent of Graduates in Family Practice in Texas	25%	25%
Percent of Graduates Entering a Family Practice Residency	41.5%	41.5%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%	95%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	90%	90%
Percent of Public Health School Graduates Who Are Employed in Texas	80%	80%
Administrative (Institutional Support) Cost as a Percent of Total Expenditures	10.3%	10.3%
A.1.1. Strategy: MEDICAL EDUCATION	\$ 25,467,992	\$ 25,467,992
Explanatory:		
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	17.8%	17.8%
Minority Admissions as a Percent of Total DO Admissions	15%	15%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	15%	15%
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	\$ 2,462,163	\$ 2,462,163
Graduate training in biomedical sciences.		

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH
(Continued)

A.1.3. Strategy: PHYSICIAN ASSISTANT PROGRAM	\$	1,830,432	\$	1,830,432
A.1.4. Strategy: GRADUATE TRAINING IN PUBLIC HEALTH	\$	2,682,716	\$	2,682,716
A.2.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	355,191	\$	399,305
A.2.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$	12,000	\$	12,000
A.2.3. Strategy: UNEMPLOYMENT INSURANCE	\$	12,000	\$	12,000
A.3.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	505,778	\$	507,224
A.3.2. Strategy: MEDICAL LOANS	\$	<u>64,714</u>	\$	<u>64,714</u>
Total, Goal A: INSTRUCTION/OPERATIONS	\$	<u>33,392,986</u>	\$	<u>33,438,546</u>
B. Goal: PROVIDE RESEARCH SUPPORT Outcome (Results/Impact):				
Total External Research Expenditures		8,681,380		8,681,380
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$	1,666,276	\$	1,666,276
B.1.2. Strategy: INDIRECT COST RECOVERY	\$	<u>1,228,154</u>	\$	<u>1,319,080</u>
Total, Goal B: PROVIDE RESEARCH SUPPORT	\$	<u>2,894,430</u>	\$	<u>2,985,356</u>
C. Goal: PROVIDE INFRASTRUCTURE SUPPORT				
C.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$	4,553,313	\$	4,553,313
C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	\$	2,432,980	\$	2,427,460
C.2.2. Strategy: LEASE OF FACILITIES	\$	<u>92,070</u>	\$	<u>92,070</u>
Total, Goal C: PROVIDE INFRASTRUCTURE SUPPORT	\$	<u>7,078,363</u>	\$	<u>7,072,843</u>
D. Goal: PROVIDE SPECIAL ITEM SUPPORT				
D.1.1. Strategy: DNA LABORATORY Clinical genetics/DNA laboratory.	\$	1,717,428	\$	1,717,287
D.2.1. Strategy: ALZHEIMER'S DIAG &TREATMENT CENTER Alzheimer's Diagnostic and Treatment Center.	\$	500,000	\$	500,000
D.3.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	<u>1,000,000</u>	\$	<u>1,000,000</u>
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	\$	<u>3,217,428</u>	\$	<u>3,217,287</u>
Grand Total, UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH				
	\$	<u><u>46,583,207</u></u>	\$	<u><u>46,714,032</u></u>
Method of Financing:				
General Revenue Fund	\$	41,830,524	\$	41,836,349
GR Dedicated - Estimated Other Educational and General Income Account No. 770		<u>4,752,683</u>		<u>4,877,683</u>
Total, Method of Financing	\$	<u><u>46,583,207</u></u>	\$	<u><u>46,714,032</u></u>

2. **Forensic Laboratory.** The University of North Texas Health Science Center at Fort Worth is authorized to conduct all blood and DNA tests associated with paternity testing for the Office of the Attorney General at a

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER AT FORT WORTH
(Continued)

monetary rate not to exceed the monetary rate at which the Attorney General could obtain the service elsewhere to the extent permitted under federal law and regulations. The income derived from this testing is to be spent only on the Forensic Laboratory. In addition, the services of the Forensic Laboratory are available to other entities or interested parties approved by the University of North Texas Health Science Center at Fort Worth.

3. **Informational Rider–Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, the University of North Texas Health Science Center at Fort Worth also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$2,281,365 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).
4. **Parking Garage Debt Service.** Funds appropriated in Strategy C.2.1, Tuition Revenue Bond Retirement, may be used to retire bonds authorized by the Seventy-sixth Legislature to construct a campus parking garage. Parking fee revenue generated by this facility will be accounted for and reported to the Legislative Budget Board. This fee revenue will be counted in the appropriations process to offset the costs of servicing debt associated with this facility.

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 92,457,673	\$ 91,978,016
Grand Total, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER	<u><u>\$ 92,457,673</u></u>	<u><u>\$ 91,978,016</u></u>
Method of Financing:		
General Revenue Fund	\$ 87,365,123	\$ 86,987,769
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>5,092,550</u>	<u>4,990,247</u>
Total, Method of Financing	<u><u>\$ 92,457,673</u></u>	<u><u>\$ 91,978,016</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	1,619.8	1,619.8
Number of Full-Time-Equivalent Positions (FTE)-Total	5,247.6	5,610.4

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
(Continued)

A. Goal: INSTRUCTION/OPERATIONS			
Provide instructional and operations support.			
Outcome (Results/Impact):			
Percent of Medical School Students Passing Part 1 or Part 2 of the National Licensing Exam on the First Attempt	95%		95%
Percent of Medical School Graduates Entering a Primary Care Residency	58%		58%
Percent of Medical School Graduates Practicing Primary Care in Texas	26%		26%
Percent of Allied Health Graduates Passing the Certification/Licensure Exam on the First Attempt	95%		95%
Percent of Allied Health Graduates Who Are Licensed or Certified in Texas	85%		85%
Percent of Bachelor of Science in Nursing Graduates Passing the National Licensing Exam on the First Attempt in Texas	86%		86%
Percent of Bachelor of Science in Nursing Graduates Who Are Licensed in Texas	97%		97%
Percent of Master of Science in Nursing Graduates Granted Advanced Practice Status in Texas	71%		71%
Percent of Pharmacy School Graduates Passing the National Licensing Exam on the First Attempt	100%		100%
Percent of Pharmacy School Graduates Who Are Licensed in Texas	95%		95%
Administrative (Institutional Enhancement) Cost as a Percent of Total Expenditures	5.49%		5.49%
A.1.1. Strategy: MEDICAL EDUCATION	\$ 29,883,476	\$	29,883,476
Explanatory:			
Minority Admissions as a Percent of Total First-year Admissions (All Schools)	14%		14%
Minority Admissions as a Percent of Total MD Admissions	15%		15%
Minority MD or DO Residents as a Percent of Total MD or DO Residents	22%		22%
A.1.2. Strategy: BIOMEDICAL SCIENCES TRAINING	\$ 1,611,769	\$	1,611,769
Graduate training in biomedical sciences.			
A.1.3. Strategy: ALLIED HEALTH PROFESSIONS TRAINING	\$ 8,796,862	\$	8,796,862
A.1.4. Strategy: NURSING EDUCATION	\$ 4,449,226	\$	4,449,226
A.1.5. Strategy: PHARMACY EDUCATION	\$ 11,199,638	\$	11,199,638
A.3.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 637,226	\$	716,369
A.4.1. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 681,000	\$	681,000
A.4.2. Strategy: MEDICAL LOANS	<u>\$ 63,652</u>	<u>\$</u>	<u>63,652</u>
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 57,322,849</u>	<u>\$</u>	<u>57,401,992</u>
B. Goal: PROVIDE RESEARCH SUPPORT			
Outcome (Results/Impact):			
Total External Research Expenditures	6,600,929		6,600,929
B.1.1. Strategy: RESEARCH ENHANCEMENT	\$ 1,684,848	\$	1,684,848
B.1.2. Strategy: INDIRECT COST RECOVERY	<u>\$ 754,338</u>	<u>\$</u>	<u>661,699</u>
Total, Goal B: PROVIDE RESEARCH SUPPORT	<u>\$ 2,439,186</u>	<u>\$</u>	<u>2,346,547</u>
C. Goal: INFRASTRUCTURE SUPPORT			
Provide infrastructure support.			
C.1.1. Strategy: E&G SPACE SUPPORT	\$ 13,503,509	\$	13,503,509
Educational and general space support.			

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
(Continued)

C.2.1. Strategy: TUITION REVENUE BOND RETIREMENT	\$ 2,490,502	\$ 2,135,044
Total, Goal C: INFRASTRUCTURE SUPPORT	\$ 15,994,011	\$ 15,638,553
D. Goal: PROVIDE SPECIAL ITEM SUPPORT		
D.1.1. Strategy: SOUTH TEXAS PROFESSIONAL EDUCATION South Texas Border Region health professional education.	\$ 995,576	\$ 884,957
D.1.2. Strategy: BORDER SUPPORT - ACADEMIC EXPANSION Border health care support - academic expansion.	\$ 4,034,895	\$ 4,035,023
D.1.3. Strategy: ACADEMIC SUPPORT-BORDER DEVELOPMENT Academic operations support - Border Region development.	\$ 408,099	\$ 408,398
D.1.4. Strategy: INTEGRATED HEALTH NETWORK Output (Volume): Annual Event Hours of Distance Education	\$ 1,375,143	\$ 1,374,172
D.1.5. Strategy: MEDICAL EDUCATION - ODESSA	45,831	45,832
D.1.6. Strategy: EL PASO - MEDICAL	\$ 1,559,487	\$ 1,560,444
D.2.1. Strategy: FAMILY/COMMUNITY MEDICINE RESIDENCY Family and Community Medicine Residency Training Programs.	\$ 1,500,000	\$ 1,500,000
D.2.2. Strategy: MIDLAND SURGICAL RESIDENCY TRAINING Midland Surgical Residency Training Program.	\$ 623,706	\$ 623,265
D.2.3. Strategy: MIDLAND CARDIOLOGY RESIDENCY Midland Cardiology Residency Training Program.	\$ 134,061	\$ 133,967
D.2.4. Strategy: BORDER HEALTH - RESIDENT SUPPORT Border health care support - resident support.	\$ 307,894	\$ 307,676
D.3.1. Strategy: DIABETES RESEARCH CENTER	\$ 402,189	\$ 402,487
D.4.1. Strategy: RURAL HEALTH CARE Rural health care support and education.	\$ 300,000	\$ 300,000
D.5.1. Strategy: INSTITUTIONAL ENHANCEMENT Multicampus (4) institutional enhancement.	\$ 1,060,577	\$ 1,060,535
Total, Goal D: PROVIDE SPECIAL ITEM SUPPORT	\$ 4,000,000	\$ 4,000,000
Grand Total, TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER	\$ 16,701,627	\$ 16,590,924
Method of Financing:		
General Revenue Fund	\$ 87,365,123	\$ 86,987,769
GR Dedicated - Estimated Other Educational and General Income Account No. 770	5,092,550	4,990,247
Total, Method of Financing	\$ 92,457,673	\$ 91,978,016

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

(Continued)

2. **South Texas/Border Region Health Professional Education.** Out of the amounts appropriated above, \$995,576 for the fiscal year ending August 31, 2002 and \$884,957 for the fiscal year ending August 31, 2003 shall be used by the Regional Academic Health Center in El Paso for infrastructure support, faculty salaries, maintenance and operation, and library resources.
 - a. Any unexpended funds from the fiscal year ending August 31, 2002, are appropriated to the institution and shall be used with funds appropriated by this section for the fiscal year ending August 31, 2003.
 - b. A report by the Texas Tech University Health Sciences Center shall be filed with the Legislative Budget Board and the Governor on or before December 1, 2002, concerning the use of the funds appropriated by this section and the extent to which the purposes specified by this section have been achieved.
3. **Appropriation of Costs for Health Care to Inmates.** None of the funds appropriated above shall be expended to provide or support the provision of health care to inmates of the Texas Department of Criminal Justice. It is the intent of the Legislature that all costs for providing health care to inmates of the TDCJ including costs of operating TDCJ hospital facilities in Galveston County and Lubbock County shall be paid from appropriations made to the TDCJ and from any financial reserves from contracts with TDCJ that are held by the university for the correctional health care services. Appropriations made to the TDCJ for the provision of inmate health care services shall be expended in accordance with Chapter 501, Government Code, § 501.059.
4. **El Paso Center for Border Health Research.** It is the intent of the Legislature that the El Paso Center for Border Health Research is a collaboration between the University of Texas at El Paso and the Texas Tech University Health Sciences Center and is one component of the Paso del Norte Regional Health Institute. The El Paso Center for Border Health Research will be located in El Paso and will be concerned with the Texas border region. It shall conduct research, in areas not limited to, but focusing on and including, infectious diseases such as tuberculosis, Hispanic health issues such as diabetes and hypertension, border environmental health issues such as those associated with water and air quality, and children's health.
5. **Informational Rider—Tobacco Settlement Receipts.** This rider is informational only and does not make any appropriations. In addition to the amounts appropriated above, Texas Tech University Health Sciences Center also receives appropriations in Article XII, Tobacco Settlement Receipts, estimated to be \$3,652,695 in each year of the 2002–03 biennium. Amounts appropriated in Article XII are to be used only for the purposes specified in VTCA, Education Code, § 63.002(c), (d), and (f) and § 63.102(c), (d), and (f).
6. **Medical School Enrollment.** Upon accreditation and approval by the Texas Higher Education Coordinating Board, Texas Tech University Health Sciences Center School of Medicine is authorized to admit annually an additional 20 medical students until the School of Medicine's first year enrollment reaches 200. It is the intent of the Legislature that this increase in enrollment be taken into account when preparing the appropriation recommendations for the Seventy-eighth Legislature.

PUBLIC COMMUNITY/JUNIOR COLLEGES

	For the Years Ending	
	August 31,	August 31,
	2002	2003
Out of the General Revenue Fund:		
A. Goal: ALAMO COMMUNITY COLLEGE		
A.1.1. Strategy: ACADEMIC EDUCATION	\$ 41,421,550	\$ 41,421,550
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 18,734,166	\$ 18,734,166
Total, Goal A: ALAMO COMMUNITY COLLEGE	\$ 60,155,716	\$ 60,155,716
B. Goal: ALVIN COMMUNITY COLLEGE		
B.1.1. Strategy: ACADEMIC EDUCATION	\$ 4,062,895	\$ 4,062,895
B.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 4,153,799	\$ 4,153,799
Total, Goal B: ALVIN COMMUNITY COLLEGE	\$ 8,216,694	\$ 8,216,694
C. Goal: AMARILLO COLLEGE		
C.2.1. Strategy: ACADEMIC EDUCATION	\$ 8,175,748	\$ 8,175,748
C.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 9,315,295	\$ 9,315,295
Total, Goal C: AMARILLO COLLEGE	\$ 17,491,043	\$ 17,491,043
D. Goal: ANGELINA COLLEGE		
D.1.1. Strategy: ACADEMIC EDUCATION	\$ 4,303,855	\$ 4,303,855
D.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 3,913,829	\$ 3,913,829
Total, Goal D: ANGELINA COLLEGE	\$ 8,217,684	\$ 8,217,684
E. Goal: AUSTIN COMMUNITY COLLEGE		
E.1.1. Strategy: ACADEMIC EDUCATION	\$ 27,695,583	\$ 27,695,583
E.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 10,983,794	\$ 10,983,794
Total, Goal E: AUSTIN COMMUNITY COLLEGE	\$ 38,679,377	\$ 38,679,377
F. Goal: BLINN COLLEGE		
F.1.1. Strategy: STAR OF THE REPUBLIC MUSEUM	\$ 345,049	\$ 345,049
F.2.1. Strategy: ACADEMIC EDUCATION	\$ 17,479,313	\$ 17,479,313
F.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 2,582,603	\$ 2,582,603
Total, Goal F: BLINN COLLEGE	\$ 20,406,965	\$ 20,406,965
G. Goal: BRAZOSPORT COLLEGE		
G.1.1. Strategy: ACADEMIC EDUCATION	\$ 2,729,806	\$ 2,729,806
G.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 3,533,220	\$ 3,533,220
Total, Goal G: BRAZOSPORT COLLEGE	\$ 6,263,026	\$ 6,263,026

PUBLIC COMMUNITY/JUNIOR COLLEGES
(Continued)

H. Goal: CENTRAL TEXAS COLLEGE		
H.1.1. Strategy: ACADEMIC EDUCATION	\$ 8,403,401	\$ 8,403,401
H.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 9,589,786</u>	<u>\$ 9,589,786</u>
Total, Goal H: CENTRAL TEXAS COLLEGE	<u>\$ 17,993,187</u>	<u>\$ 17,993,187</u>
I. Goal: CISCO JUNIOR COLLEGE		
I.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,083,572	\$ 3,083,572
I.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 1,339,578</u>	<u>\$ 1,339,578</u>
Total, Goal I: CISCO JUNIOR COLLEGE	<u>\$ 4,423,150</u>	<u>\$ 4,423,150</u>
J. Goal: CLARENDON COLLEGE		
J.1.1. Strategy: ACADEMIC EDUCATION	\$ 1,814,515	\$ 1,814,515
J.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 503,860</u>	<u>\$ 503,860</u>
Total, Goal J: CLARENDON COLLEGE	<u>\$ 2,318,375</u>	<u>\$ 2,318,375</u>
K. Goal: COASTAL BEND COLLEGE		
K.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,389,832	\$ 3,389,832
K.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 3,642,792</u>	<u>\$ 3,642,792</u>
Total, Goal K: COASTAL BEND COLLEGE	<u>\$ 7,032,624</u>	<u>\$ 7,032,624</u>
L. Goal: COLLEGE OF THE MAINLAND		
L.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,545,838	\$ 3,545,838
L.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,805,359</u>	<u>\$ 2,805,359</u>
Total, Goal L: COLLEGE OF THE MAINLAND	<u>\$ 6,351,197</u>	<u>\$ 6,351,197</u>
M. Goal: COLLIN COUNTY CC		
Collin County Community College.		
M.1.1. Strategy: ACADEMIC EDUCATION	\$ 15,377,803	\$ 15,377,803
M.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 6,410,384</u>	<u>\$ 6,410,384</u>
Total, Goal M: COLLIN COUNTY CC	<u>\$ 21,788,187</u>	<u>\$ 21,788,187</u>
N. Goal: DALLAS COUNTY CC		
Dallas County Community College.		
N.1.1. Strategy: SMALL BUSINESS DEVELOPMENT CENTER	\$ 746,042	\$ 746,042
N.2.1. Strategy: ACADEMIC EDUCATION	\$ 47,910,633	\$ 47,910,633
N.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 38,333,408</u>	<u>\$ 38,333,408</u>
Total, Goal N: DALLAS COUNTY CC	<u>\$ 86,990,083</u>	<u>\$ 86,990,083</u>
O. Goal: DEL MAR COLLEGE		
O.1.1. Strategy: ACADEMIC EDUCATION	\$ 9,010,587	\$ 9,010,587
O.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 10,087,601</u>	<u>\$ 10,087,601</u>
Total, Goal O: DEL MAR COLLEGE	<u>\$ 19,098,188</u>	<u>\$ 19,098,188</u>

PUBLIC COMMUNITY/JUNIOR COLLEGES
(Continued)

P. Goal: EL PASO COMMUNITY COLLEGE		
P.1.1. Strategy: ACADEMIC EDUCATION	\$ 19,222,084	\$ 19,222,084
P.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 13,039,845</u>	<u>\$ 13,039,845</u>
Total, Goal P: EL PASO COMMUNITY COLLEGE	<u>\$ 32,261,929</u>	<u>\$ 32,261,929</u>
Q. Goal: FRANK PHILLIPS COLLEGE		
Q.1.1. Strategy: ACADEMIC EDUCATION	\$ 1,319,129	\$ 1,319,129
Q.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 1,117,780</u>	<u>\$ 1,117,780</u>
Total, Goal Q: FRANK PHILLIPS COLLEGE	<u>\$ 2,436,909</u>	<u>\$ 2,436,909</u>
R. Goal: GALVESTON COLLEGE		
R.1.1. Strategy: ACADEMIC EDUCATION	\$ 2,469,099	\$ 2,469,099
R.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,815,185</u>	<u>\$ 2,815,185</u>
Total, Goal R: GALVESTON COLLEGE	<u>\$ 5,284,284</u>	<u>\$ 5,284,284</u>
S. Goal: GRAYSON COUNTY COLLEGE		
S.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,523,043	\$ 3,523,043
S.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,863,034</u>	<u>\$ 2,863,034</u>
Total, Goal S: GRAYSON COUNTY COLLEGE	<u>\$ 6,386,077</u>	<u>\$ 6,386,077</u>
T. Goal: HILL COLLEGE		
T.1.1. Strategy: HERITAGE MUSEUM/GENEALOGY CENTER	\$ 375,000	\$ 375,000
Heritage Museum and Genealogy Center.		
T.2.1. Strategy: ACADEMIC EDUCATION	\$ 2,896,361	\$ 2,896,361
T.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,094,810</u>	<u>\$ 2,094,810</u>
Total, Goal T: HILL COLLEGE	<u>\$ 5,366,171</u>	<u>\$ 5,366,171</u>
U. Goal: HOUSTON COMMUNITY COLLEGE		
U.1.1. Strategy: ACADEMIC EDUCATION	\$ 35,492,258	\$ 35,492,258
U.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 31,149,079</u>	<u>\$ 31,149,079</u>
Total, Goal U: HOUSTON COMMUNITY COLLEGE	<u>\$ 66,641,337</u>	<u>\$ 66,641,337</u>
V. Goal: HOWARD COLLEGE		
V.1.1. Strategy: SWCID	\$ 2,394,943	\$ 2,423,233
Southwest Collegiate Institute for the Deaf.		
V.1.2. Strategy: SWCID STUDENT UNION BUILDING	\$ 785,000	\$ UB
V.1.3. Strategy: PEDESTRIAN PLAZA	\$ 94,000	\$ UB
V.2.1. Strategy: ACADEMIC EDUCATION	\$ 2,473,435	\$ 2,473,435
V.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 5,279,613</u>	<u>\$ 5,279,613</u>
Total, Goal V: HOWARD COLLEGE	<u>\$ 11,026,991</u>	<u>\$ 10,176,281</u>
W. Goal: KILGORE COLLEGE		
W.1.1. Strategy: ACADEMIC EDUCATION	\$ 4,988,473	\$ 4,988,473
W.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 6,450,378</u>	<u>\$ 6,450,378</u>
Total, Goal W: KILGORE COLLEGE	<u>\$ 11,438,851</u>	<u>\$ 11,438,851</u>

PUBLIC COMMUNITY/JUNIOR COLLEGES
(Continued)

X. Goal: LAREDO COMMUNITY COLLEGE		
X.1.1. Strategy: IMPORT/EXPORT TRNG CTR Regional Import/Export Training Center.	\$ 219,674	\$ 219,674
X.2.1. Strategy: ACADEMIC EDUCATION	\$ 7,409,945	\$ 7,409,945
X.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 5,293,332</u>	<u>\$ 5,293,332</u>
Total, Goal X: LAREDO COMMUNITY COLLEGE	<u>\$ 12,922,951</u>	<u>\$ 12,922,951</u>
Y. Goal: LEE COLLEGE		
Y.1.1. Strategy: ACADEMIC EDUCATION	\$ 5,000,421	\$ 5,000,421
Y.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 6,104,567</u>	<u>\$ 6,104,567</u>
Total, Goal Y: LEE COLLEGE	<u>\$ 11,104,988</u>	<u>\$ 11,104,988</u>
Z. Goal: MCLENNAN COMMUNITY COLLEGE		
Z.1.1. Strategy: ACADEMIC EDUCATION	\$ 6,567,878	\$ 6,567,878
Z.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 4,966,507</u>	<u>\$ 4,966,507</u>
Total, Goal Z: MCLENNAN COMMUNITY COLLEGE	<u>\$ 11,534,385</u>	<u>\$ 11,534,385</u>
AA. Goal: MIDLAND COLLEGE		
AA.1.1. Strategy: AMERICAN AIRPOWER HERITAGE MUSEUM	\$ 589,349	\$ 589,349
AA.2.1. Strategy: ACADEMIC EDUCATION	\$ 5,037,512	\$ 5,037,512
AA.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 3,413,240</u>	<u>\$ 3,413,240</u>
Total, Goal AA: MIDLAND COLLEGE	<u>\$ 9,040,101</u>	<u>\$ 9,040,101</u>
AB. Goal: NAVARRO COLLEGE		
AB.1.1. Strategy: ACADEMIC EDUCATION	\$ 5,687,559	\$ 5,687,559
AB.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 3,239,189</u>	<u>\$ 3,239,189</u>
Total, Goal AB: NAVARRO COLLEGE	<u>\$ 8,926,748</u>	<u>\$ 8,926,748</u>
AC. Goal: NORTH CENTRAL TX COLLEGE North Central Texas College.		
AC.1.1. Strategy: ACADEMIC EDUCATION	\$ 5,133,580	\$ 5,133,580
AC.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,239,986</u>	<u>\$ 2,239,986</u>
Total, Goal AC: NORTH CENTRAL TX COLLEGE	<u>\$ 7,373,566</u>	<u>\$ 7,373,566</u>
AD. Goal: NORTH HARRIS CC North Harris Community College.		
AD.1.1. Strategy: ACADEMIC EDUCATION	\$ 26,070,443	\$ 26,070,443
AD.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 13,002,445</u>	<u>\$ 13,002,445</u>
Total, Goal AD: NORTH HARRIS CC	<u>\$ 39,072,888</u>	<u>\$ 39,072,888</u>
AE. Goal: NORTHEAST TEXAS CC Northeast Texas Community College.		
AE.1.1. Strategy: ACADEMIC EDUCATION	\$ 2,201,117	\$ 2,201,117

PUBLIC COMMUNITY/JUNIOR COLLEGES
(Continued)

AE.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 1,352,069	\$ 1,352,069
Total, Goal AE: NORTHEAST TEXAS CC	\$ 3,553,186	\$ 3,553,186
AF. Goal: ODESSA COLLEGE		
AF.1.1. Strategy: ACADEMIC EDUCATION	\$ 4,275,653	\$ 4,275,653
AF.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 4,557,927	\$ 4,557,927
Total, Goal AF: ODESSA COLLEGE	\$ 8,833,580	\$ 8,833,580
AG. Goal: PANOLA COLLEGE		
AG.1.1. Strategy: ACADEMIC EDUCATION	\$ 1,866,011	\$ 1,866,011
AG.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 1,712,117	\$ 1,712,117
Total, Goal AG: PANOLA COLLEGE	\$ 3,578,128	\$ 3,578,128
AH. Goal: PARIS JUNIOR COLLEGE		
AH.1.1. Strategy: ACADEMIC EDUCATION	\$ 4,159,995	\$ 4,159,995
AH.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 2,299,210	\$ 2,299,210
Total, Goal AH: PARIS JUNIOR COLLEGE	\$ 6,459,205	\$ 6,459,205
AI. Goal: RANGER COLLEGE		
AI.1.1. Strategy: ACADEMIC EDUCATION	\$ 1,518,792	\$ 1,518,792
AI.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 799,583	\$ 799,583
Total, Goal AI: RANGER COLLEGE	\$ 2,318,375	\$ 2,318,375
AJ. Goal: SAN JACINTO COLLEGE		
AJ.1.1. Strategy: ACADEMIC EDUCATION	\$ 19,454,544	\$ 19,454,544
AJ.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 17,292,519	\$ 17,292,519
Total, Goal AJ: SAN JACINTO COLLEGE	\$ 36,747,063	\$ 36,747,063
AK. Goal: SOUTH PLAINS COLLEGE		
AK.1.1. Strategy: ACADEMIC EDUCATION	\$ 8,170,529	\$ 8,170,529
AK.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 5,229,666	\$ 5,229,666
Total, Goal AK: SOUTH PLAINS COLLEGE	\$ 13,400,195	\$ 13,400,195
AL. Goal: SO TX COMMUNITY COLLEGE		
South Texas Community College.		
AL.1.1. Strategy: ACADEMIC EDUCATION	\$ 13,428,300	\$ 13,428,300
AL.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 6,035,183	\$ 6,035,183
Total, Goal AL: SO TX COMMUNITY COLLEGE	\$ 19,463,483	\$ 19,463,483

PUBLIC COMMUNITY/JUNIOR COLLEGES
(Continued)

AM. Goal: SW TEXAS JUNIOR COLLEGE Southwest Texas Junior College.		
AM.1.1. Strategy: ACADEMIC EDUCATION	\$ 4,263,148	\$ 4,263,148
AM.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 1,951,096</u>	<u>\$ 1,951,096</u>
Total, Goal AM: SW TEXAS JUNIOR COLLEGE	<u>\$ 6,214,244</u>	<u>\$ 6,214,244</u>
AN. Goal: TARRANT COUNTY COLLEGE		
AN.1.1. Strategy: ACADEMIC EDUCATION	\$ 29,076,415	\$ 29,076,415
AN.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 11,151,592</u>	<u>\$ 11,151,592</u>
Total, Goal AN: TARRANT COUNTY COLLEGE	<u>\$ 40,228,007</u>	<u>\$ 40,228,007</u>
AO. Goal: TEMPLE COLLEGE		
AO.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,410,048	\$ 3,410,048
AO.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,902,249</u>	<u>\$ 2,902,249</u>
Total, Goal AO: TEMPLE COLLEGE	<u>\$ 6,312,297</u>	<u>\$ 6,312,297</u>
AP. Goal: TEXARKANA COLLEGE		
AP.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,855,419	\$ 3,855,419
AP.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 5,143,359</u>	<u>\$ 5,143,359</u>
Total, Goal AP: TEXARKANA COLLEGE	<u>\$ 8,998,778</u>	<u>\$ 8,998,778</u>
AQ. Goal: TEXAS SOUTHMOST COLLEGE		
AQ.1.1. Strategy: ACADEMIC EDUCATION	\$ 8,397,359	\$ 8,397,359
AQ.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 3,242,763</u>	<u>\$ 3,242,763</u>
Total, Goal AQ: TEXAS SOUTHMOST COLLEGE	<u>\$ 11,640,122</u>	<u>\$ 11,640,122</u>
AR. Goal: TRINITY VALLEY CC Trinity Valley Community College.		
AR.1.1. Strategy: ACADEMIC EDUCATION	\$ 5,118,472	\$ 5,118,472
AR.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 5,397,130</u>	<u>\$ 5,397,130</u>
Total, Goal AR: TRINITY VALLEY CC	<u>\$ 10,515,602</u>	<u>\$ 10,515,602</u>
AS. Goal: TYLER JUNIOR COLLEGE		
AS.1.1. Strategy: ACADEMIC EDUCATION	\$ 10,465,012	\$ 10,465,012
AS.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 5,730,879</u>	<u>\$ 5,730,879</u>
Total, Goal AS: TYLER JUNIOR COLLEGE	<u>\$ 16,195,891</u>	<u>\$ 16,195,891</u>

PUBLIC COMMUNITY/JUNIOR COLLEGES
(Continued)

AT. Goal: VERNON REG JUNIOR COLLEGE Vernon Regional Junior College.		
AT.1.1. Strategy: ACADEMIC EDUCATION	\$ 1,751,568	\$ 1,751,568
AT.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 3,861,745</u>	<u>\$ 3,861,745</u>
Total, Goal AT: VERNON REG JUNIOR COLLEGE	<u>\$ 5,613,313</u>	<u>\$ 5,613,313</u>
AU. Goal: VICTORIA COLLEGE		
AU.2.1. Strategy: ACADEMIC EDUCATION	\$ 3,690,363	\$ 3,690,363
AU.2.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 3,892,727</u>	<u>\$ 3,892,727</u>
Total, Goal AU: VICTORIA COLLEGE	<u>\$ 7,583,090</u>	<u>\$ 7,583,090</u>
AV. Goal: WEATHERFORD COLLEGE		
AV.1.1. Strategy: ACADEMIC EDUCATION	\$ 3,120,103	\$ 3,120,103
AV.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,239,858</u>	<u>\$ 2,239,858</u>
Total, Goal AV: WEATHERFORD COLLEGE	<u>\$ 5,359,961</u>	<u>\$ 5,359,961</u>
AW. Goal: WESTERN TEXAS COLLEGE		
AW.1.1. Strategy: ACADEMIC EDUCATION	\$ 1,497,390	\$ 1,497,390
AW.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 1,288,892</u>	<u>\$ 1,288,892</u>
Total, Goal AW: WESTERN TEXAS COLLEGE	<u>\$ 2,786,282</u>	<u>\$ 2,786,282</u>
AX. Goal: WHARTON COUNTY JR COLLEGE Wharton County Junior College.		
AX.1.1. Strategy: ACADEMIC EDUCATION	\$ 5,279,900	\$ 5,279,900
AX.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	<u>\$ 2,803,478</u>	<u>\$ 2,803,478</u>
Total, Goal AX: WHARTON COUNTY JR COLLEGE	<u>\$ 8,083,378</u>	<u>\$ 8,083,378</u>
Grand Total, PUBLIC COMMUNITY/JUNIOR COLLEGES	<u><u>\$ 790,127,852</u></u>	<u><u>\$ 789,277,142</u></u>

1. **Administration of Appropriated Funds.** Funds appropriated above shall be administered by the Texas Higher Education Coordinating Board.
2. **Appropriation Eligibility.** To be eligible for and to receive an appropriation a public community/junior college must be certified as required by VTCA, Education Code, Chapter 61, § 61.001, and comply with the following provisions:

a. The Texas Higher Education Coordinating Board shall 1) determine whether each eligible public community/junior college has complied with all the provisions of this section; 2) determine each college's list of approved courses; and 3) certify its findings and such lists to the State Auditor not later than October 1 of each fiscal year. Each public community/junior college shall make such reports to the Texas Higher Education

PUBLIC COMMUNITY/JUNIOR COLLEGES

(Continued)

Coordinating Board as may be required, classified in accordance with the rules and regulations issued by the Board.

- b. On or before the dates for reporting official enrollments each semester to the Texas Higher Education Coordinating Board, each college will collect in full from each student that is to be counted for state aid purposes the amounts set as tuition by the respective governing boards. Valid contracts with the United States government for instruction of eligible military personnel, and valid contracts with private business and public service-type organizations or institutions such as hospitals, may be considered as collections thereunder, but subject to adjustments after final payment thereof.
 - c. Each community/junior college must use a registration and financial reporting system which is sufficient to satisfy the audit requirements of the State Auditor and furnish any reports and information as the auditor may require.
 - d. Each community/junior college must file by November 1 of each fiscal year directly with the Governor's Office of Budget and Planning, Legislative Budget Board, the Legislative Reference Library, and the Texas Higher Education Coordinating Board, a copy of an annual operating budget, and subsequent amendments thereto, approved by the community/junior college governing board. The operating budget shall be in such form and manner as may be prescribed by the board and/or agency with the advice of the State Auditor providing, however, that each report include departmental operating budgets by function and salaries and emoluments for faculty and staff listed by position.
3. **Approved Elements of Expenditure.** The expenditures by a public community/junior college of any funds received by it under these provisions headed "Public Community/Junior Colleges" shall be limited to the payment of the following elements of cost: instruction, academic support, student services, institutional support, organized activities, and staff benefits. It is specifically provided, however, that in addition to the purposes enumerated herein, the funds appropriated above for special items may be expended for salaries, wages, travel, capital outlay and other necessary operating expenses. It is specifically provided that funds appropriated above may not be used for the operation of intercollegiate athletics.
4. **Audit of Compliance.** The compliance of each public community/junior college with the requirements set forth in the paragraphs above shall be ascertained by the State Auditor who shall also audit the pertinent books and records of each college as necessary.
5. **Vouchers for Disbursement of Appropriated Funds.** Vouchers for disbursement of the sums appropriated hereinabove shall be prepared by the Texas Higher Education Coordinating Board on the basis of the provisions in the paragraphs above and the warrants issued in payment thereof shall be issued in compliance with VTCA, Education Code, § 130.0031.

Funds appropriated above to Howard County College for the operation of the Southwest Collegiate Institute for the Deaf shall be distributed in accordance with the installment schedule for Category 1 junior colleges.

The total amount of funds appropriated above in each year of the biennium to Midland College in Strategy AA.1.1, American Airpower Heritage Museum, should be distributed on September 1 of the year funds are appropriated.

In submitting vouchers for disbursement of the funds herein appropriated, the Texas Higher Education Coordinating Board, shall certify to the State Comptroller of Public Accounts that each school listed has qualified and is entitled to receive such funds under the provisions set forth in this Act under the heading "Public Community/Junior Colleges."

PUBLIC COMMUNITY/JUNIOR COLLEGES

(Continued)

6. **Unobligated Balances.** At the close of each fiscal year each community/junior college shall report to the Coordinating Board the amount of state allocations which have not been obligated within each line item and shall return that amount to the State Treasury for deposit in the General Revenue Fund.
7. **Adjustment of Contact Hours.** The hours used in the contact hour base period are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board and the public community and junior colleges, and the dollar amounts adjusted accordingly by the Texas Higher Education Coordinating Board. The total amount that is reduced from colleges which have overstated base period contact hours shall be redistributed to those colleges which have understated base period contact hours to the extent of such understatement. Redistributions shall include all institutions funded by the two-year contact hour funding formula. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total contact hour formula amount appropriated to that institution for the biennium. No college shall have dollar amounts adjusted below \$2,318,375. Institutions where sampling errors are identified may request a comprehensive institutional audit at institutional expense.
8. **Separation of Funds.** The funds appropriated by the State shall be maintained separately by community/junior colleges from other sources of income.
9. **Supplanting of Federal Funds Prohibited.** It is legislative intent that state funds not be used to supplant federal funds for the Job Training Partnership Act programs conducted by community/junior colleges.
10. **Residency of Texas Department of Criminal Justice Inmates.** All inmates of the Texas Department of Criminal Justice are, for educational purposes only, residents of the State of Texas.
11. **Small Business Development Center.** The Small Business Development Center at Dallas County Community College shall receive \$746,042 in each year of the biennium, as appropriated above, contingent upon certification by the Comptroller of Public Accounts that increased activity by the Small Business Development Center will generate at least \$1,492,084 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Small Business Development Center be used by the center to attract federal funds on a dollar-for-dollar basis.
12. **Regional Import/Export Training Center.** Appropriations of \$50,000 each year made above are contingent upon certification by the Comptroller of Public Accounts that increased economic activity associated with the Regional Import/Export Training Center and the Laredo Junior College will generate at least \$100,000 for the biennium in additional revenue to the General Revenue Fund. It is the intent of the Legislature that state funds provided to the Regional Import/Export Training Center be used by the center to attract federal funds on a dollar-for-dollar basis.

TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 2,514,401	\$ 2,514,362
Grand Total, TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION	<u>\$ 2,514,401</u>	<u>\$ 2,514,362</u>
Method of Financing:		
General Revenue Fund	\$ 2,230,138	\$ 2,230,138
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>284,263</u>	<u>284,224</u>
Total, Method of Financing	<u>\$ 2,514,401</u>	<u>\$ 2,514,362</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	38.1	38.1
Number of Full-Time-Equivalent Positions (FTE)-Total	40.5	40.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Students Graduated within Three Years with Either an AAS Degree or a Certificate	40%	41%
Number of Minority Graduates	904	940
Graduates Employed in a Field Related to Their Degree or Certificate, or Continuing Their Education	87%	87%
A.1.1. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 17,000	\$ 17,000
A.1.2. Strategy: SYSTEM OFFICE OPERATIONS	\$ 1,997,401	\$ 1,997,362
A.1.3. Strategy: TECHNICAL TRAINING PARTNERSHIP	<u>\$ 500,000</u>	<u>\$ 500,000</u>
Technical training partnerships with community colleges.		
Total, Goal A: INSTRUCTION/OPERATIONS	<u>\$ 2,514,401</u>	<u>\$ 2,514,362</u>
Grand Total, TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION	<u>\$ 2,514,401</u>	<u>\$ 2,514,362</u>
Method of Financing:		
General Revenue Fund	\$ 2,230,138	\$ 2,230,138
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>284,263</u>	<u>284,224</u>
Total, Method of Financing	<u>\$ 2,514,401</u>	<u>\$ 2,514,362</u>

2. **Coordination with Community/Junior Colleges.** In accordance with VTCA, Education Code, Chapter 135, prior to establishing a program in an area which is within a community/junior college district, the Texas State Technical College must receive authorization to offer such

TEXAS STATE TECHNICAL COLLEGE SYSTEM ADMINISTRATION
(Continued)

educational, technical or vocational programs from the Texas Higher Education Coordinating Board.

3. **Appropriation, Governing Board.** Out of the funds appropriated herein, an amount not to exceed \$49,000 in each year of the biennium shall be for all expenses associated with the governing board's duties including, but not limited to: travel, entertainment, lodging and expenses of state employees who provide services for the governing board.

A separate record of the board's expenditures shall be kept and retained in the same manner as the fiscal records of the institution(s) the board governs. No funds may be used for the governing board's expenses except for the specific amounts designated above. Funds appropriated for the governing board's expenses may be used for any other purpose covered by this Act.

4. **Expenditure Reporting for System Administration and Extension Centers.** Prior to each legislative session the Texas State Technical College System Administration shall file with the House Appropriations Committee, the Senate Finance Committee, the Legislative Budget Board, and the Governor’s Office a report detailing expenditures for system administration and the extension centers at Abilene, Brownwood, and Breckenridge. The report shall compare actual expenditures to funds appropriated for those purposes and shall cover the current and previous two biennia.

TEXAS STATE TECHNICAL COLLEGE - HARLINGEN*

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 20,438,770	\$ 20,433,204
Grand Total, TEXAS STATE TECHNICAL COLLEGE - HARLINGEN	<u><u>\$ 20,438,770</u></u>	<u><u>\$ 20,433,204</u></u>
Method of Financing:		
General Revenue Fund	\$ 16,594,117	\$ 16,588,551
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>3,844,653</u>	<u>3,844,653</u>
Total, Method of Financing	<u><u>\$ 20,438,770</u></u>	<u><u>\$ 20,433,204</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	429.6	429.6
Number of Full-Time-Equivalent Positions (FTE)-Total	541.6	541.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

*See also House Bill 2914.

TEXAS STATE TECHNICAL COLLEGE - HARLINGEN
(Continued)

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Students		
Graduated within Three Years with Either an AAS Degree or a Certificate	38%	40%
Headcount Enrollment	5,846	6,079
Number of Associate Degrees and Certificates Awarded	678	705
Number of Minority Students Graduated	576	599
Administrative Cost as a Percent of Total Expenditures	8.8%	8.8%
A.1.1. Strategy: ACADEMIC EDUCATION	\$ 4,226,233	\$ 4,224,644
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 11,193,196	\$ 11,189,219
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 198,000	\$ 198,000
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 551,900	\$ 551,900
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 16,169,329	\$ 16,163,763
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 2,652,014	\$ 2,652,014
Educational and general space support.		
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 1,617,427	\$ 1,617,427
Grand Total, TEXAS STATE TECHNICAL COLLEGE - HARLINGEN	\$ 20,438,770	\$ 20,433,204
Method of Financing:		
General Revenue Fund	\$ 16,594,117	\$ 16,588,551
GR Dedicated - Estimated Other Educational and General Income Account No. 770	3,844,653	3,844,653
Total, Method of Financing	\$ 20,438,770	\$ 20,433,204

TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS*

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 13,294,307	\$ 13,288,807
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS	\$ 13,294,307	\$ 13,288,807
Method of Financing:		
General Revenue Fund	\$ 11,269,356	\$ 11,265,856
GR Dedicated - Estimated Other Educational and General Income Account No. 770	2,024,951	2,022,951
Total, Method of Financing	\$ 13,294,307	\$ 13,288,807

*See also House Bill 2914.

TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS
(Continued)

Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	223.5	223.5
Number of Full-Time-Equivalent Positions (FTE)-Total	273.2	273.2

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Students Graduated within Three Years with Either an AAS Degree or a Certificate	48%	48%
Headcount Enrollment	1,995	2,000
Number of Associate Degrees and Certificates Awarded	411	425
Number of Minority Students Graduated	117	119
Administrative Cost as a Percent of Total Expenditures	11%	11%
A.1.1. Strategy: ACADEMIC EDUCATION	\$ 434,158	\$ 433,439
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 4,781,532	\$ 4,778,975
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 119,830	\$ 119,830
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$ 269,577	\$ 269,577
A.1.5. Strategy: ABILENE ACADEMIC/VOCATIONAL ED Abilene academic/vocational education.	\$ 2,547,489	\$ 2,546,242
A.1.6. Strategy: BROWNWOOD ACADEMIC/VOCATIONAL ED Brownwood academic/vocational education.	\$ 1,031,694	\$ 1,031,139
A.1.7. Strategy: RURAL TECH ACADEMIC/VOCATIONAL ED Rural Tech Center academic/vocational education.	\$ 731,471	\$ 731,049
Total, Goal A: INSTRUCTION/OPERATIONS	\$ 9,915,751	\$ 9,910,251
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT Educational and general space support.	\$ 1,112,836	\$ 1,112,836
B.1.2. Strategy: ABILENE E&G SPACE SUPPORT Abilene educational and general space support.	\$ 199,517	\$ 199,517
B.1.3. Strategy: BROWNWOOD E&G SPACE SUPPORT Brownwood educational and general space support.	\$ 107,245	\$ 107,245
B.1.4. Strategy: RURAL TECH E&G SPACE SUPPORT Rural Tech Center Educational and general space support.	\$ 94,449	\$ 94,449
Total, Goal B: INFRASTRUCTURE SUPPORT	\$ 1,514,047	\$ 1,514,047
C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 1,864,509	\$ 1,864,509
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS	\$ 13,294,307	\$ 13,288,807

TEXAS STATE TECHNICAL COLLEGE - WEST TEXAS
(Continued)

Method of Financing:		
General Revenue Fund	\$ 11,269,356	\$ 11,265,856
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>2,024,951</u>	<u>2,022,951</u>
Total, Method of Financing	<u><u>\$ 13,294,307</u></u>	<u><u>\$ 13,288,807</u></u>

TEXAS STATE TECHNICAL COLLEGE - MARSHALL *

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 4,737,833	\$ 4,737,052
Grand Total, TEXAS STATE TECHNICAL COLLEGE - MARSHALL	<u><u>\$ 4,737,833</u></u>	<u><u>\$ 4,737,052</u></u>
Method of Financing:		
General Revenue Fund	\$ 4,016,258	\$ 4,015,477
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>721,575</u>	<u>721,575</u>
Total, Method of Financing	<u><u>\$ 4,737,833</u></u>	<u><u>\$ 4,737,052</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	96.9	96.9
Number of Full-Time-Equivalent Positions (FTE)-Total	114.9	114.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Students Graduated within Three Years with Either an AAS Degree or a Certificate		
	42%	43%
Headcount Enrollment	700	800
Number of Associate Degrees and Certificates Awarded	125	150
Number of Minority Students Graduated	38	45
Administrative Cost as a Percent of Total Expenditures	15%	14%
A.1.1. Strategy: ACADEMIC EDUCATION	\$ 594,139	\$ 594,021
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 2,401,286	\$ 2,400,623
A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$ 35,000	\$ 35,000
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	<u>\$ 103,588</u>	<u>\$ 103,588</u>
Total, Goal A: INSTRUCTION/OPERATIONS	<u><u>\$ 3,134,013</u></u>	<u><u>\$ 3,133,232</u></u>
B. Goal: INFRASTRUCTURE SUPPORT		
Provide infrastructure support.		
B.1.1. Strategy: E&G SPACE SUPPORT	\$ 490,075	\$ 490,075
Educational and general space support.		

*See also House Bill 2914.

TEXAS STATE TECHNICAL COLLEGE - MARSHALL
(Continued)

C. Goal: SPECIAL ITEM SUPPORT		
Provide special item support.		
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$ 1,113,745	\$ 1,113,745
Grand Total, TEXAS STATE TECHNICAL COLLEGE - MARSHALL	<u>\$ 4,737,833</u>	<u>\$ 4,737,052</u>
Method of Financing:		
General Revenue Fund	\$ 4,016,258	\$ 4,015,477
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>721,575</u>	<u>721,575</u>
Total, Method of Financing	<u>\$ 4,737,833</u>	<u>\$ 4,737,052</u>

TEXAS STATE TECHNICAL COLLEGE - WACO*

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 31,575,837	\$ 31,568,522
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WACO	<u>\$ 31,575,837</u>	<u>\$ 31,568,522</u>
Method of Financing:		
General Revenue Fund	\$ 26,909,363	\$ 26,902,048
GR Dedicated - Estimated Other Educational and General Income Account No. 770	<u>4,666,474</u>	<u>4,666,474</u>
Total, Method of Financing	<u>\$ 31,575,837</u>	<u>\$ 31,568,522</u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	564.1	564.1
Number of Full-Time-Equivalent Positions (FTE)-Total	677.0	677.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: INSTRUCTION/OPERATIONS		
Provide instructional and operations support.		
Outcome (Results/Impact):		
Percent of First-time, Full-time, Degree-seeking Students Graduated within Three Years with Either an AAS Degree or a Certificate	39%	41%
Headcount Enrollment	6,022	6,058
Number of Associate Degrees and Certificates Awarded	1,003	1,007
Number of Minority Students Graduated	173	177
Administrative Cost as a Percent of Total Expenditures	8.5%	8.5%
A.1.1. Strategy: ACADEMIC EDUCATION	\$ 2,877,979	\$ 2,876,393
A.1.2. Strategy: VOCATIONAL/TECHNICAL EDUCATION	\$ 21,978,835	\$ 21,973,106

*See also House Bill 2914.

TEXAS STATE TECHNICAL COLLEGE - WACO
(Continued)

A.1.3. Strategy: STAFF GROUP INSURANCE PREMIUMS	\$	213,000	\$	213,000
A.1.4. Strategy: TEXAS PUBLIC EDUCATION GRANTS	\$	640,000	\$	640,000
Total, Goal A: INSTRUCTION/OPERATIONS	\$	25,709,814	\$	25,702,499
B. Goal: PROVIDE INFRASTRUCTURE SUPPORT				
B.1.1. Strategy: E&G SPACE SUPPORT	\$	3,932,617	\$	3,932,617
Educational and general space support.				
C. Goal: PROVIDE SPECIAL ITEM SUPPORT				
C.1.1. Strategy: INSTITUTIONAL ENHANCEMENT	\$	1,933,406	\$	1,933,406
Grand Total, TEXAS STATE TECHNICAL COLLEGE - WACO	\$	31,575,837	\$	31,568,522
Method of Financing:				
General Revenue Fund	\$	26,909,363	\$	26,902,048
GR Dedicated - Estimated Other Educational and General Income Account No. 770		4,666,474		4,666,474
Total, Method of Financing	\$	31,575,837	\$	31,568,522

SPECIAL PROVISIONS RELATING ONLY TO COMPONENTS OF TEXAS STATE TECHNICAL COLLEGE

- Expenditure of Educational and General Funds.** Recognizing that Texas State Technical College may have the opportunity and should be encouraged to attract private contributions, grants, or contracts, and to enter into agreements with private businesses and other agencies of government for purposes not specifically contained in the line items above that might require matching funds from TSTC, the Board of Regents of Texas State Technical College is hereby authorized to expend its remaining educational and general funds to meet contribution, contract, or grant-matching requirements only for the following purposes:

 - planning and implementing a large-scale job-training program in conjunction with private business and other state agencies;
 - acquiring facilities and equipment to carry out a large-scale industrial training program in conjunction with a major employer; and
 - additional space and mechanical systems or renovation of existing buildings in accordance with the Campus Master Plans and subject to approval by the Texas Higher Education Coordinating Board.
- Financial Records.** The financial records and reports of the Texas State Technical College shall classify accounts in accordance with the recommendation of the National Committee on the Preparation of a Manual on College and University Business Administration, as set forth in Volume I of "College and University Business Administration," published by the American Council on Education with a copyright date of 1952, and subsequent published revisions with such modifications as may be developed and provided by the Comptroller of Public Accounts, or as may be required to conform with specific provisions of the Appropriation Acts of the Legislature. The accounts of the Texas State Technical College shall be maintained and audited in accordance with the approved reporting system. The Texas State Technical College shall deliver to the Texas Higher Education Coordinating Board, any such program reports as it may deem necessary in accordance with its rules and regulations.

SPECIAL PROVISIONS RELATING ONLY TO COMPONENTS OF TEXAS STATE TECHNICAL COLLEGE

(Continued)

3. **Enrollment Records and Reports.** To be eligible to receive the appropriations hereinabove, the Texas State Technical College shall maintain separately for each campus and each extension center such enrollment records and report such enrollment data as required by the Texas Higher Education Coordinating Board. These enrollment reports shall be submitted in the form and on the date required.

The above reports shall be certified to the Comptroller of Public Accounts no later than the date required by the Coordinating Board, and each term copies of the above certified enrollment reports shall be sent to the Coordinating Board, Legislative Budget Board, Governor, State Auditor and Legislative Reference Library.

The State Auditor shall verify the certified enrollment data submitted to the agencies listed above as part of the audit of the Texas State Technical College.

The Texas State Technical College shall offer only such courses as are economically justified in the considered judgment of the Board of Regents. The Board of Regents shall adopt policies specifying the conditions under which classes of less than 10 students by headcount are to be considered necessary and justifiable. The Board of Regents shall direct the chancellor or other officials to review enrollment data prior to the designated Coordinating Board census date and take all necessary actions to ensure that the small classes offered on each campus are only those that conform with established policies on small classes. Each school term, each campus shall prepare for submission to the Board of Regents a small class report showing the department, course number, title of course and the name of the instructor. The Board of Regents shall review enrollment reports certified to the Comptroller of Public Accounts, the campus small class reports and other enrollment records as necessary to ensure that the classes offered are economically justified and are in compliance with Board of Regents' policy.

4. **Certification of Compliance.** Expenditure of the funds appropriated hereinabove is contingent upon annual certification by the chancellor of the Texas State Technical College to the Comptroller of Public Accounts that the Texas State Technical College is in compliance with these provisions regarding budgets, accounting procedures and enrollment.
5. **Approved Geographic Locations.** None of the funds appropriated above to the Texas State Technical College shall be expended in promoting, developing or creating a campus or extension center at any other location in the state except as specified in VTCA, Education Code § 135.02.
6. **Temporary Special Courses.** Out of funds appropriated by contact hour generation hereinabove to the Texas State Technical College in pre-apprenticeship, related training for apprentices and specialized training for journeymen and compensatory training for pre-apprenticeship and apprenticeship enrollees, and plant expansion and new plant start-up training program no more than \$50,000 per year may be spent wherever the need exists within the state in conjunction with curriculum approval by the Texas Higher Education Coordinating Board. Such expenditure of funds for these special courses are temporary in nature and outside the provision of VTCA, Education Code § 135.04.
7. **Aircraft Pilot Training Programs.** Funds may be used for the operation, maintenance or lease of aircraft for use in the Aircraft Pilot Training programs subject to the requirement that excess costs of flight instruction be recovered by an assessment of charge to student pilots. This income shall be separately accounted for and credited as a reduction in expenditure in the Aircraft Pilot Training Program.
8. **Approval of Plans by Foundations.** Any use of the Texas State Technical College's assets or facilities including, but not limited to, buildings, equipment or employees by existing

SPECIAL PROVISIONS RELATING ONLY TO COMPONENTS OF TEXAS STATE TECHNICAL COLLEGE

(Continued)

foundations or for the promotion of foundations shall require prior approval of the Board of Regents. Approval is contingent upon receipt by the Board of Regents of a satisfactory annual plan of operation. At a minimum, this plan must specify the proposed use of any Texas State Technical College facilities, equipment, and personnel; payments made directly to Texas State Technical College personnel for services provided or expenses incurred; and donations of funds to the Texas State Technical College for designated purposes. All funds donated by foundations to the Texas State Technical College shall be received and accounted for in the same manner as all other Texas State Technical College funds. After Board of Regents approval, the plan shall be filed with the Legislative Budget Board.

9. **Audit of Base Contact Hours.** The hours used in the contact hour base period to fund Texas State Technical College are subject to audit for accuracy by the State Auditor according to an audit plan developed in consultation with the Texas Higher Education Coordinating Board, the Legislative Budget Board, and the Public Community and Junior Colleges and the appropriation amounts adjusted accordingly by the Comptroller of Public Accounts. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the total contact hour formula appropriations to that institution for the biennium. Adjustments shall be made to appropriated amounts in accordance with adjustments of estimated contact hours to actual certified contact hours, even if the total error rate is less than 2 percent of the total contact hour formula amount appropriated to that institution for the biennium.
10. **Campus President Salaries.** Out of the funds appropriated to each campus of Texas State Technical College, an amount NTE \$63,654 in 2002 and \$63,654 in 2003 may be expended for the salary of a president. All presidents may receive in addition to the above amounts a house, utilities, and/or supplement from private sources. If an institutionally owned house is not available an amount NTE \$7,200 per year from the appropriations above, and additional funds from gifts and grants where required, may be provided in lieu of house and utilities.
11. **Chancellor Salary.** Out of the funds appropriated, transferred, or contracted to the system office, an amount NTE \$70,231 in 2002 and \$70,231 in 2003 may be expended for the salary of a chancellor. The chancellor may receive in addition to the above amount a house, utilities, and/or supplement from private sources. If a system owned house is not available an amount NTE \$7,200 per year from the system office appropriation and additional funds from gifts and grants where required, may be provided in lieu of house and utilities.
12. **Flight Log Reporting Requirements.** Texas State Technical College shall provide the following travel log information about a state-operated aircraft each time the aircraft is flown:
 - a. a mission statement, which may appear as a selection to be identified from general categories appearing on the form;
 - b. the name, state agency represented, destination, and signature of each person who is a passenger or crew member of the aircraft;
 - c. the date of each flight;
 - d. a detailed and specific description of the official business purpose of each flight; and
 - e. other information determined by the Legislative Budget Board and the board to be necessary to monitor the proper use of the aircraft.

TEXAS AGRICULTURAL EXPERIMENT STATION

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 66,595,705	\$ 66,595,705
Grand Total, TEXAS AGRICULTURAL EXPERIMENT STATION	<u>\$ 66,595,705</u>	<u>\$ 66,595,705</u>
Method of Financing:		
General Revenue Fund	\$ 54,435,592	\$ 54,435,592
Feed Control Fund - Local No. 058, estimated	2,166,310	2,166,310
GR - Dedicated - Clean Air Account No. 151	500,000	500,000
Federal Funds	6,455,093	6,455,093
GR - Dedicated - Agricultural Soil and Water Conservation Account No. 563	100,000	100,000
Sales Funds - Agricultural Experiment Station, estimated	1,250,000	1,250,000
Fertilizer Control Fund, estimated	1,413,710	1,413,710
Research-related Indirect Cost Recovery, estimated	<u>275,000</u>	<u>275,000</u>
Total, Method of Financing	<u>\$ 66,595,705</u>	<u>\$ 66,595,705</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	1,458.0	1,458.0
Number of Full-Time-Equivalent Positions (FTE)-Total	2,269.0	2,269.0
Supplemental Appropriations Made in Riders:	\$ 150,000	\$ 0
1. Informational Listing of Appropriated Funds. The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.		
A. Goal: AGRICULTURAL COMPETITIVENESS To improve the competitiveness of Texas agricultural products.		
Outcome (Results/Impact):		
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Livestock Research	2%	2%
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Plant and Crop Research	2%	2%
A.1.1. Strategy: LIVESTOCK RESEARCH Conduct research on the biology, health and management of livestock and animal production systems.	\$ 9,806,671	\$ 9,806,671
Output (Volume):		
Number of Refereed Publications	410	410
Explanatory:		
Amount of External Sponsor Support	8,500,000	8,500,000
A.2.1. Strategy: PLANT AND CROP RESEARCH Conduct research on the biology, pests and management of plants and crop production systems.	<u>\$ 19,901,923</u>	<u>\$ 19,901,923</u>
Output (Volume):		
Number of Refereed Publications	610	610
Explanatory:		
Amount of External Sponsor Support	16,810,000	16,810,000
Total, Goal A: AGRICULTURAL COMPETITIVENESS	<u>\$ 29,708,594</u>	<u>\$ 29,708,594</u>

TEXAS AGRICULTURAL EXPERIMENT STATION
(Continued)

B. Goal: ENVIRONMENTAL QUALITY			
To enhance environmental quality and conserve natural resources.			
Outcome (Results/Impact):			
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Renewable Resources Research	2%		2%
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Environmental Quality Research	2%		2%
B.1.1. Strategy: RENEWABLE RESOURCES RESEARCH	\$	5,030,884	\$ 5,030,884
Conduct research to enhance the efficiency with which the state’s water, land and other renewable resources are used and managed to conserve resource stocks for future use.			
Output (Volume):			
Number of Refereed Publications		230	230
Explanatory:			
Amount of External Sponsor Support		4,318,000	4,318,000
B.2.1. Strategy: ENVIRONMENT QUALITY RESEARCH	\$	<u>9,422,907</u>	\$ <u>9,422,907</u>
Conduct research to protect and enhance water, air and soil quality and biodiversity.			
Output (Volume):			
Number of Refereed Publications		260	260
Explanatory:			
Amount of External Sponsor Support		9,440,574	9,440,574
Total, Goal B: ENVIRONMENTAL QUALITY	\$	<u>14,453,791</u>	\$ <u>14,453,791</u>
C. Goal: AGRICULTURAL PRODUCT QUALITY			
To enhance nutrition, quality, safety and market efficiency while maintaining affordability of agricultural products.			
Outcome (Results/Impact):			
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Agricultural Product Quality Research		2%	2%
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Agricultural Marketing Research		2.5%	2.5%
C.1.1. Strategy: AGRICULTURAL PRODUCT QUALITY RSRCH	\$	3,588,876	\$ 3,588,876
Conduct research on biological, production, storage and handling processes and consumer behavior relating to safety, nutritional, and quality characteristics of agricultural products.			
Output (Volume):			
Number of Refereed Publications		225	225
Explanatory:			
Amount of External Sponsor Support		3,100,000	3,100,000
C.2.1. Strategy: AGRICULTURAL MARKETING RESEARCH	\$	<u>1,901,942</u>	\$ <u>1,901,942</u>
Conduct research on efficiency marketing, trade systems, and consumer behavior relating to food and agricultural products.			
Output (Volume):			
Number of Refereed Publications		105	105
Explanatory:			
Amount of External Sponsor Support		1,700,000	1,700,000
Total, Goal C: AGRICULTURAL PRODUCT QUALITY	\$	<u>5,490,818</u>	\$ <u>5,490,818</u>

TEXAS AGRICULTURAL EXPERIMENT STATION
(Continued)

D. Goal: VALUE-ADDED/ECONOMIC DEVELOPMENT			
To increase value-added from processing of Texas agricultural products and enhance the socioeconomic development of communities and the economy of Texas.			
Outcome (Results/Impact):			
Percentage Change in Number of Patents, Licenses, Disclosures, and Publications - Value-added Research	2%		2%
Percentage Change in Number of Patents, Disclosures, Licenses, and Publications - Socioeconomic Research	2%		2%
D.1.1. Strategy: VALUE-ADDED RESEARCH	\$	1,192,700	\$ 1,192,700
Conduct research into value-added enhancing techniques to facilitate the efficient conversion of plant and animal materials, residuals, byproducts, and wastes into higher valued products.			
Output (Volume):			
Number of Refereed Publications		95	95
Explanatory:			
Amount of External Sponsor Support		1,100,000	1,100,000
D.2.1. Strategy: SOCIOECONOMIC RESEARCH	\$	<u>1,951,983</u>	\$ <u>1,951,983</u>
Conduct research on economic, demographic and social factors impacting socioeconomic resources, services, and organizations in Texas.			
Output (Volume):			
Number of Refereed Publications		60	60
Explanatory:			
Amount of External Sponsor Support		1,955,814	1,955,814
Total, Goal D: VALUE-ADDED/ECONOMIC DEVELOPMENT	\$	<u>3,144,683</u>	\$ <u>3,144,683</u>
E. Goal: REGULATORY SERVICES			
To provide regulatory services that are fair to the industry and protect the interests of consumers.			
Outcome (Results/Impact):			
Percent Change in Number of European Honey Bee Certificates Issued		2%	2%
Change in Violation Rates - Feed and Fertilizer Program		2%	2%
E.1.1. Strategy: HONEY BEE REGULATION	\$	325,418	\$ 325,418
Control diseases and other pests of EHB, reduce the impact of AHB through timely monitoring, regulatory/containment provisions, and respond to public needs.			
Output (Volume):			
Number of Bee Colonies Inspected		48,000	48,000
Number of Apiaries Inspected		175	175
E.2.1. Strategy: FEED AND FERTILIZER PROGRAM	\$	<u>3,031,887</u>	\$ <u>3,031,887</u>
Monitor and evaluate products distributed in the state.			
Output (Volume):			
Number of Feed and Fertilizer Samples Assigned to the Feed and Fertilizer Control Service Field Personnel		9,200	9,200
Number of Feed and Fertilizer Samples Analyzed by the Agricultural Analytical Services Laboratory		9,400	9,400
Total, Goal E: REGULATORY SERVICES	\$	<u>3,357,305</u>	\$ <u>3,357,305</u>
F. Goal: PROGRAM ENHANCEMENT			
To enhance the agency's programmatic efforts to better serve the needs of Texans.			
F.1.1. Strategy: PROGRAM ENHANCEMENT	\$	1,187,958	\$ 1,187,958
Provide funding to improve agency's operational			

TEXAS AGRICULTURAL EXPERIMENT STATION
(Continued)

and programmatic efficiency.		
G. Goal: STAFF BENEFITS		
To maintain a competitive benefit program for employees and retirees pursuant to state mandated requirements.		
G.1.1. Strategy: STAFF GROUP INSURANCE	\$	544,958
Provide funding for staff group insurance premiums.	\$	544,958
G.1.2. Strategy: WORKERS' COMP INSURANCE	\$	210,681
Provide funding for workers' compensation insurance.	\$	210,681
G.1.3. Strategy: UNEMPLOYMENT INSURANCE	\$	14,330
Provide funding for unemployment insurance.	\$	14,330
G.1.4. Strategy: OASI	\$	378,642
Provide funding for OASI.	\$	378,642
Total, Goal G: STAFF BENEFITS	\$	1,148,611
H. Goal: INDIRECT ADMINISTRATION		
H.1.1. Strategy: INDIRECT ADMINISTRATION	\$	2,911,651
H.1.2. Strategy: INFRASTRUCTURE SUPPORT	\$	5,192,294
Total, Goal H: INDIRECT ADMINISTRATION	\$	8,103,945
Grand Total, TEXAS AGRICULTURAL EXPERIMENT STATION	\$	66,595,705

Method of Financing:		
General Revenue Fund	\$	54,435,592
Feed Control Fund - Local No. 058, estimated		54,435,592
GR - Dedicated - Clean Air Account No. 151		2,166,310
Federal Funds		2,166,310
GR - Dedicated - Agricultural Soil and Water Conservation Account No. 563		500,000
Sales Funds - Agricultural Experiment Station, estimated		500,000
Fertilizer Control Fund, estimated		6,455,093
Research-related Indirect Cost Recovery, estimated		6,455,093
Total, Method of Financing	\$	66,595,705

2. **Unexpended Balances, TAES Current Fund.** Any balances remaining as of August 31, 2001 in Texas Agricultural Experiment Station Current Fund No. 240 and all revenues received during the biennium beginning September 1, 2001 are hereby appropriated to Texas Agricultural Experiment Station.
3. **Buffalo Gnat.** Out of the funds appropriated above, \$10,000 in General Revenue Funds in each year of the biennium shall be used for buffalo gnat eradication.
4. **Unexpended Balances, General Revenue Fund-Dedicated, Agricultural Soil and Water Conservation Account.** Any unexpended balances in the Agricultural Soil and Water Conservation Account, estimated to be \$10,000, remaining as of August 31, 2001, are hereby appropriated for the biennium beginning September 1, 2001, for the purposes of Subchapter G, Chapter 15, VTCA, Water Code. Any balances remaining after August 31, 2002, are hereby appropriated for fiscal year 2003.

TEXAS AGRICULTURAL EXPERIMENT STATION
(Continued)

5. **Limited Waiver from Proportionality Provision.** The Texas Agricultural Experiment Station is specifically exempt from implementation of proportionality for Higher Education Retirement Programs, but only in regard to the retirement match limit that is imposed under the federal Hatch Act and the McIntire-Stennis Act.
6. **Unexpended Balances, Equine Research Account.** Any unexpended balances in the Equine Research Account, estimated to be \$100,000, as of August 31, 2001 and all income to the Equine Research Account during the biennium beginning September 1, 2001 are hereby appropriated to Texas Agricultural Experiment Station for support of the Equine Research Program.
7. **Unexpended Balances, Honey Bee Disease Fund.** Revenue collected as of August 31, 2001, estimated to be \$40,000, and all fees collected during the biennium beginning September 1, 2001 pursuant to § 131.046, Texas Agriculture Code, are hereby appropriated from the General Revenue Fund to Texas Agricultural Experiment Station for the Honey Bee Disease Program.
8. **Honey Bees Research.** Out of the funds appropriated above in Strategy B.2.1, Environment Quality Research, \$150,000 in fiscal year 2002 and \$150,000 in fiscal year 2003 shall be used for research on the protection and management of honey bees.
9. **Cotton Germplasm Collections.** Out of the funds appropriated above in Strategy A.2.1, Plant and Crop Research, \$300,000 in fiscal year 2002 and \$300,000 in fiscal year 2003 in General Revenue Funds shall be used for the evaluation of cotton germplasm collections.
10. **Environmental Quality Research.** Out of the funds appropriated above in Strategy B.2.1, Environment Quality Research, a biennial amount of \$600,000 shall be used to fund air quality research related to livestock production conducted at the Texas Agricultural Experiment Station in Amarillo, Texas.
11. **Texas State Data Center.** Out of funds appropriated above in Strategy F.1.1, Program Enhancement, the Texas Agricultural Experiment Station shall increase its allocation to the Texas State Data Center by a minimum of \$150,000 in fiscal year 2002 and a minimum of \$150,000 in fiscal year 2003.

TEXAS AGRICULTURAL EXTENSION SERVICE

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 59,425,853	\$ 60,014,151
Grand Total, TEXAS AGRICULTURAL EXTENSION SERVICE	<u><u>\$ 59,425,853</u></u>	<u><u>\$ 60,014,151</u></u>
Method of Financing:		
General Revenue Fund	\$ 41,591,239	\$ 42,179,537
Federal Funds	10,005,523	10,005,523
GR Dedicated - Agricultural Soil and Water Conservation Account No. 563	100,000	100,000
County Funds - Extension Programs Fund, estimated	6,939,421	6,939,421
Interagency Contracts	<u>789,670</u>	<u>789,670</u>
Total, Method of Financing	<u><u>\$ 59,425,853</u></u>	<u><u>\$ 60,014,151</u></u>

TEXAS AGRICULTURAL EXTENSION SERVICE
(Continued)

Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	1,135.0	1,135.0
Number of Full-Time-Equivalent Positions (FTE)-Total	1,524.0	1,524.0
Supplemental Appropriations Made in Riders:	\$ 10,000	\$ 0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: HEALTH AND SAFETY EDUCATION To educate Texans to take more responsibility for improving their health, safety, productivity, and well-being.		
Outcome (Results/Impact):		
Percent Increase of Targeted Texans Reached	22%	24%
A.1.1. Strategy: HEALTH AND SAFETY EDUCATION	\$ 10,879,064	\$ 10,879,064
Conduct educational programs related to nutrition, food safety, dependent care, and safe agricultural, home, and workplace environments.		
Output (Volume):		
Direct Teaching Exposures	2,200,000	2,200,000
Efficiencies:		
Average Cost Per Educational Contact	3.5	3.5
B. Goal: ENVIRONMENTAL EDUCATION To educate citizens to improve their stewardship of the environment and Texas' natural resources.		
Outcome (Results/Impact):		
Percent Increase of Targeted Texans Reached	22%	24%
B.1.1. Strategy: ENVIRONMENTAL EDUCATION	\$ 8,749,841	\$ 8,749,841
Conduct educational programs to protect and maintain Texas' land and water ecosystems.		
Output (Volume):		
Direct Teaching Exposures	1,580,000	1,580,000
Efficiencies:		
Average Cost Per Educational Contact	1.56	1.56
C. Goal: ECONOMIC COMPETITIVENESS To enable Texans to make decisions that contribute to their economic security and to the state's economic prosperity.		
Outcome (Results/Impact):		
Percent Increase of Targeted Texans Reached	20%	22%
C.1.1. Strategy: ECONOMIC COMPETITIVENESS	\$ 23,262,124	\$ 23,262,124
Conduct educational programs that contribute to the economic competitiveness of agricultural producers, the economic viability of rural communities, and the economic stability of individuals and families.		
Output (Volume):		
Direct Teaching Exposures	2,400,000	2,400,000
Efficiencies:		
Economic Impact Per Dollar Invested	785	785
D. Goal: LEADERSHIP DEVELOPMENT To foster the development of responsible, productive, and self-motivated youth and adults.		
Outcome (Results/Impact):		
Percent Increase of Targeted Texans Reached	16%	18%
D.1.1. Strategy: LEADERSHIP DEVELOPMENT	\$ 11,421,845	\$ 11,421,845
Teach the principles of leadership development to both youth and adults and provide		

TEXAS AGRICULTURAL EXTENSION SERVICE
(Continued)

opportunities for youth to learn life skills and enhance career development.		
Output (Volume):		
Direct Teaching Exposures	2,250,000	2,250,000
Efficiencies:		
Average Cost Per Educational Contact	2.9	2.9
E. Goal: PROGRAM ENHANCEMENT		
To enhance the agency’s programmatic efforts to better serve the needs of Texans.		
E.1.1. Strategy: PROGRAM ENHANCEMENT	\$ 901,919	\$ 901,919
Provide funding to improve agency’s operational and programmatic efficiency.		
F. Goal: COUNTY EXTENSION AGENT SUPPORT		
To support County Extension Agents in recognition for their service to Texans.		
F.1.1. Strategy: COUNTY EXTENSION AGENT SALARIES	\$ 138,422	\$ 726,720
County Extension Agent salary increase.		
G. Goal: STAFF BENEFITS		
To maintain a competitive benefit program for employees and retirees pursuant to state mandated requirements.		
G.1.1. Strategy: STAFF GROUP INSURANCE	\$ 815,000	\$ 815,000
Provide funding for staff group insurance premiums.		
G.1.2. Strategy: WORKERS' COMP INSURANCE	\$ 176,335	\$ 176,335
Provide funding for workers’ compensation insurance.		
G.1.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 8,000	\$ 8,000
Provide funding for unemployment insurance.		
G.1.4. Strategy: OASI	\$ 283,000	\$ 283,000
Provide funding for OASI.		
Total, Goal G: STAFF BENEFITS	\$ 1,282,335	\$ 1,282,335
H. Goal: INDIRECT ADMINISTRATION		
H.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 2,025,076	\$ 2,025,076
H.1.2. Strategy: INFRASTRUCTURE SUPPORT	\$ 765,227	\$ 765,227
Total, Goal H: INDIRECT ADMINISTRATION	\$ 2,790,303	\$ 2,790,303
Grand Total, TEXAS AGRICULTURAL EXTENSION SERVICE	\$ 59,425,853	\$ 60,014,151
Method of Financing:		
General Revenue Fund	\$ 41,591,239	\$ 42,179,537
Federal Funds	10,005,523	10,005,523
GR Dedicated - Agricultural Soil and Water Conservation Account No. 563	100,000	100,000
County Funds - Extension Programs Fund, estimated	6,939,421	6,939,421
Interagency Contracts	789,670	789,670
Total, Method of Financing	\$ 59,425,853	\$ 60,014,151
2. Integrated Pest Management. Out of the funds appropriated above, \$49,365 in each year of the biennium is for contracting with the Texas Pest Management Association for pest management. No more than 10 percent of these funds shall be utilized by the Texas Agricultural Extension Service for administering the program.		

TEXAS AGRICULTURAL EXTENSION SERVICE
(Continued)

3. **Unexpended Balances, General Revenue Fund-Dedicated, Agricultural Soil and Water Conservation Account.** Any unexpended balances in the Agricultural Soil and Water Conservation Account, estimated to be \$10,000, remaining as of August 31, 2001, are hereby appropriated for the biennium beginning September 1, 2001, for the purposes of Subchapter G, Chapter 15, VTCA, Water Code. Any balances remaining after August 31, 2002, are hereby appropriated for fiscal year 2003.
4. **Limited Waiver from Proportionality Provision.** For the purpose of determining proportional payments of retirement and group insurance benefits for the Texas Agricultural Extension Service, as required in this Act, County Funds paid directly by County Commissioners Courts shall be considered as General Revenue Funds. The Texas Agricultural Extension Service is specifically exempt from implementation of proportionality for Higher Education Retirement Programs, but only in regard to the retirement match limit that is imposed under the federal Smith-Lever Act and the Hatch Act.
5. **Increased Inter-agency Collaboration.** The Texas Agricultural Extension Service and the Texas Engineering Extension Service are directed to meet quarterly to generate, implement and manage efforts designed to mutually reinforce each agency’s respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor’s Office of Budget and Planning by October 1 of each year summarizing the actions taken to successfully meet the above purposes.
6. **County Extension Agent Salary Increase.** Out of the funds appropriated above in Strategy F.1.1, County Extension Agent Salaries, \$138,422 in fiscal year 2002 and \$726,720 in fiscal year 2003 shall be used to fund the General Revenue portion of a 5 percent salary increase for County Extension Agents for each year of the biennium. The amount in fiscal year 2002 is intended to supplement any general state employee salary increase for fiscal year 2002. The amount in fiscal year 2003 is intended to fund an additional 5 percent salary increase for County Extension Agents.
7. **Drought Support.** Out of funds appropriated above, the Texas Agricultural Extension Service shall allocate full-time-equivalent positions in such fashion that a hydrologist is assigned to each district office located in a county wherein the annual rainfall is less than 15 inches per year.
8. **Quail Management.** Out of the funds appropriated above in Strategy E.1.1, Program Enhancement, \$125,000 in fiscal year 2002 and \$125,000 in fiscal year 2003 shall be used for education outreach programs, restoration of habitat and quail research for the purpose of promoting appropriate management practices.

TEXAS ENGINEERING EXPERIMENT STATION

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 62,310,909	\$ 62,310,909
Grand Total, TEXAS ENGINEERING EXPERIMENT STATION	<u><u>\$ 62,310,909</u></u>	<u><u>\$ 62,310,909</u></u>

TEXAS ENGINEERING EXPERIMENT STATION
(Continued)

Method of Financing:		
General Revenue Fund	\$ 12,429,217	\$ 12,429,217
Federal Funds	28,406,843	28,406,843
Research-related Indirect Cost Recovery, estimated	3,618,921	3,618,921
Interagency Contracts	6,309,254	6,309,254
Other Funds, estimated	<u>11,546,674</u>	<u>11,546,674</u>
Total, Method of Financing	<u><u>\$ 62,310,909</u></u>	<u><u>\$ 62,310,909</u></u>
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds		
	704.5	704.5
Number of Full-Time-Equivalent Positions (FTE)-Total	948.9	948.9

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: ENGINEERING RESEARCH		
To conduct basic and applied research in engineering and related fields which addresses critical state and national issues, supports industrial and public systems, enhances higher education and promotes economic development.		
Outcome (Results/Impact):		
Leverage Ratio of General Revenue Appropriations to Total		
Funds (Excluding Infrastructure Funds)	13	13.3
Total Dollar Volume of Research (Millions)	107	111
Number of Formal License Agreements	11	11
A.1.1. Strategy: RESEARCH DIVISIONS	\$ 30,966,443	\$ 30,966,443
Develop and support disciplinary and cross-disciplinary research programs, centers, institutes, and new initiatives		
Output (Volume):		
Dollar Volume of Research (Millions)	43.1	44
Number of Research Projects	3,131	3,193
A.1.2. Strategy: MULTI-INSTITUTIONAL OUTREACH	\$ 16,408,422	\$ 16,408,422
Collaborate with academic institutions in Texas, the nation and elsewhere in research and development activities and provide research and grant writing outreach across the State		
Output (Volume):		
Number of Collaborative Initiatives	1,150	1,150
Dollar Volume of Activities (Millions)	31.4	32
A.2.1. Strategy: TECHNOLOGY TRANSFER	\$ 540,179	\$ 540,179
Provide intellectual property assistance to the research programs for commercial application		
Output (Volume):		
Number of Patent Applications	45	45
A.3.1. Strategy: EDUCATIONAL PROGRAMS	<u>\$ 1,509,230</u>	<u>\$ 1,509,230</u>
Provide programs and opportunities for the participation of students, especially minorities and women, in research and education programs		
Output (Volume):		
Number of Students from Underrepresented Groups		
Participating in Agency Activities	4,265	4,350

TEXAS ENGINEERING EXPERIMENT STATION
(Continued)

Total, Goal A: ENGINEERING RESEARCH	\$ <u>49,424,274</u>	\$ <u>49,424,274</u>
B. Goal: PROGRAM ENHANCEMENT		
To enhance the agency's programmatic efforts to better serve the needs of Texans.		
B.1.1. Strategy: PROGRAM ENHANCEMENT Provide funding to improve agency's operational and programmatic efficiency.	\$ 267,016	\$ 267,016
C. Goal: STAFF BENEFITS		
To maintain a competitive benefit program for employees and retirees pursuant to state mandated requirements.		
C.1.1. Strategy: STAFF GROUP INSURANCE Provide funding for staff group insurance premiums	\$ 3,453,532	\$ 3,453,532
C.1.2. Strategy: WORKERS' COMP INSURANCE Provide funding for workers' compensation insurance	\$ 164,550	\$ 164,550
C.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide funding for unemployment insurance.	\$ 21,112	\$ 21,112
C.1.4. Strategy: O.A.S.I. Provide funding for O.A.S.I.	\$ 1,070,729	\$ 1,070,729
C.1.5. Strategy: OPTIONAL RETIREMENT PROGRAM Optional Retirement Program Differential.	\$ <u>90,267</u>	\$ <u>90,267</u>
Total, Goal C: STAFF BENEFITS	\$ <u>4,800,190</u>	\$ <u>4,800,190</u>
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 4,062,263	\$ 4,062,263
D.1.2. Strategy: INFRASTRUCTURE SUPPORT	\$ <u>3,757,166</u>	\$ <u>3,757,166</u>
Total, Goal D: INDIRECT ADMINISTRATION	\$ <u>7,819,429</u>	\$ <u>7,819,429</u>
Grand Total, TEXAS ENGINEERING EXPERIMENT STATION	\$ <u><u>62,310,909</u></u>	\$ <u><u>62,310,909</u></u>
Method of Financing:		
General Revenue Fund	\$ 12,429,217	\$ 12,429,217
Federal Funds	28,406,843	28,406,843
Research-related Indirect Cost Recovery, estimated	3,618,921	3,618,921
Interagency Contracts	6,309,254	6,309,254
Other Funds, estimated	<u>11,546,674</u>	<u>11,546,674</u>
Total, Method of Financing	\$ <u><u>62,310,909</u></u>	\$ <u><u>62,310,909</u></u>

2. **Offshore Technology Research Center.** Out of the funds appropriated above in Strategy A.1.1, Research Divisions, \$232,984 in fiscal year 2002 and \$232,984 in fiscal year 2003 is for the purpose of supporting the Offshore Technology Research Center. A further \$267,016 in fiscal year 2002 and \$267,016 in fiscal year 2003 out of Strategy B.1.1, Program Enhancement, is dedicated to supporting the Offshore Technology Research Center.

TEXAS TRANSPORTATION INSTITUTE

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 28,966,340	\$ 29,219,606
Grand Total, TEXAS TRANSPORTATION INSTITUTE	\$ 28,966,340	\$ 29,219,606
Method of Financing:		
General Revenue Fund	\$ 4,688,204	\$ 4,688,204
State Highway Fund No. 006	500,000	500,000
Federal Funds	3,145,717	3,145,717
Appropriated Receipts	5,177,584	5,246,603
Research-related Indirect Cost Recovery, estimated	1,400,345	1,414,348
Interagency Contracts	14,054,490	14,224,734
Total, Method of Financing	\$ 28,966,340	\$ 29,219,606
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	414.0	416.0
Number of Full-Time-Equivalent Positions (FTE)-Total	464.0	467.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: TRANSPORTATION RESEARCH
To identify and solve transportation research problems, to disseminate the results, and to enhance the relevance and quality of transportation education in Texas.

Outcome (Results/Impact):		
Dollar Volume of Research Studies Performed	26,815,500	27,083,655
Leverage Ratio of General Revenue Appropriations to Total Funds (Excluding Infrastructure Funds)	12.2	12.2
A.1.1. Strategy: SPONSORED RESEARCH	\$ 18,728,613	\$ 18,905,459
Submit research proposals and develop programs to secure funded contracts from sources, including: TxDOT, USDOT, and other state and federal agencies, other states, regional and local governments, and private sector entities and to support transportation-related educational programs within the Texas A&M University System and other Texas university systems.		
Output (Volume):		
Number of TTI Patented Safety Devices Installed	170,000	180,000
Number of Students Involved in TTI Education and Research Activities	168	169
External Research Dollars Brought to the State of Texas	5,600,000	5,600,000
A.1.2. Strategy: NATIONAL CENTERS	\$ 3,668,212	\$ 3,702,844
Submit research proposals and develop programs within the National Centers to enhance and promote advanced transportation-related educational and research programs within the Texas A&M University System and other Texas university systems.		

TEXAS TRANSPORTATION INSTITUTE
(Continued)

Output (Volume):		
Number of Students Involved in TTI Education and Research Activities		
	44	45
External Research Dollars Brought to the State of Texas	3,120,000	3,170,000
A.1.3. Strategy: TRANSPORTATION SAFETY CENTER	\$ 500,000	\$ 500,000
Submit research proposals and develop programs to foster collaborative research ultimately relating to the reduction of mortality rates on Texas roadways.		
Total, Goal A: TRANSPORTATION RESEARCH	\$ 22,896,825	\$ 23,108,303
B. Goal: PROGRAM ENHANCEMENT		
To enhance the agency's programmatic efforts to better serve the needs of Texans.		
B.1.1. Strategy: PROGRAM ENHANCEMENT	\$ 102,590	\$ 102,590
Provide funding to improve agency's operational and programmatic efficiency.		
C. Goal: STAFF BENEFITS		
To maintain a competitive benefit program for employees and retirees pursuant to state mandated requirements.		
C.1.1. Strategy: STAFF GROUP INSURANCE	\$ 1,141,017	\$ 1,151,787
Provide funding for staff group insurance premiums.		
C.1.2. Strategy: WORKERS' COMP INSURANCE	\$ 85,810	\$ 86,620
Provide funding for workers' compensation insurance.		
C.1.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 14,737	\$ 14,877
Provide funding for unemployment insurance.		
C.1.4. Strategy: OASI	\$ 978,756	\$ 987,994
Provide funding for OASI.		
Total, Goal C: STAFF BENEFITS	\$ 2,220,320	\$ 2,241,278
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 2,206,105	\$ 2,226,935
D.1.2. Strategy: INFRASTRUCTURE SUPPORT	\$ 1,540,500	\$ 1,540,500
Total, Goal D: INDIRECT ADMINISTRATION	\$ 3,746,605	\$ 3,767,435
Grand Total, TEXAS TRANSPORTATION INSTITUTE	\$ 28,966,340	\$ 29,219,606
Method of Financing:		
General Revenue Fund	\$ 4,688,204	\$ 4,688,204
State Highway Fund No. 006	500,000	500,000
Federal Funds	3,145,717	3,145,717
Appropriated Receipts	5,177,584	5,246,603
Research-related Indirect Cost Recovery, estimated	1,400,345	1,414,348
Interagency Contracts	14,054,490	14,224,734
Total, Method of Financing	\$ 28,966,340	\$ 29,219,606

2. **Transportation Safety Center.** Out of State Highway Fund No. 006, \$500,000 in fiscal year 2002 and \$500,000 in fiscal year 2003 shall be used to fund the Transportation Safety Center to conduct research, education, and technology transfer to improve the safety of Texas' roads and highways.

TEXAS ENGINEERING EXTENSION SERVICE

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 45,175,238	\$ 45,175,240
Grand Total, TEXAS ENGINEERING EXTENSION SERVICE	\$ 45,175,238	\$ 45,175,240
Method of Financing:		
General Revenue Fund	\$ 6,421,867	\$ 6,421,868
Federal Funds	9,675,335	9,675,336
Appropriated Receipts	21,555,237	21,555,237
Extension-related Indirect Cost Recovery, estimated	1,880,013	1,880,013
Interagency Contracts	5,642,786	5,642,786
Total, Method of Financing	\$ 45,175,238	\$ 45,175,240
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds		
	495.5	495.5
Number of Full-Time-Equivalent Positions (FTE)-Total	495.5	495.5

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

A. Goal: PROVIDE TRAINING

To provide basic and advanced training, technology transfer activities and technical assistance on a statewide basis to meet the needs of governmental and industrial employees. The emphasis on technical training and assistance activities will ensure a qualified and competent workforce for the future.

Outcome (Results/Impact):

Percent Increase in the Number of Employees Trained in

Response to State Mandated Certification Programs	3%	3%
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Percent Increase in the Number of Industrial Employees

Participating in Training Programs	3%	3%
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A.1.1. Strategy: PUBLIC SECTOR TRAINING

\$ 19,297,095	\$ 19,297,094
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Provide training for the public sector by assigning responsibility, conducting training needs assessments, using advisory groups, monitoring legislation and developing a marketing strategy within each training division.

Output (Volume):

Number of Individuals Trained	67,000	67,000
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Efficiencies:

Average Number of Student Contact Hours Per Full-time

Instructor	15,300	15,300
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A.1.2. Strategy: INDUSTRIAL SECTOR TRAINING

\$ 7,101,593	\$ 7,101,594
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Provide training for the industrial sector by assigning responsibility, conducting training needs assessments, using advisory groups, monitoring legislation and developing a marketing strategy within each training division.

TEXAS ENGINEERING EXTENSION SERVICE
(Continued)

Output (Volume):			
Number of Individuals Trained	54,000		54,000
Efficiencies:			
Average Number of Student Contact Hours Per Full-time Instructor	10,500		10,500
Total, Goal A: PROVIDE TRAINING	<u>\$ 26,398,688</u>	<u>\$ 26,398,688</u>	
B. Goal: TECHNOLOGY TRANSFER ASSISTANCE			
To provide special instructions, technology transfer activities and technical assistance on a statewide basis to special population groups.			
B.1.1. Strategy: TECHNOLOGY TRANSFER	\$ 6,760,161	\$ 6,760,161	
Operate an efficient technology transfer program through direct services, interactive electronic media, and database search activities.			
Output (Volume):			
Number of Initiatives with Communities and Businesses	3,000		3,000
Efficiencies:			
Number of Clients Served Per Service Delivery FTE	80		80
B.1.2. Strategy: PRE-EMPLOYMENT TRAINING	<u>\$ 1,463,562</u>	<u>\$ 1,463,563</u>	
Operate a pre-employment training program.			
Output (Volume):			
Number of Individuals Trained	3,600		3,600
Efficiencies:			
Average Number of Student Contact Hours Per Full-time Instructor	6,500		6,500
Total, Goal B: TECHNOLOGY TRANSFER ASSISTANCE	<u>\$ 8,223,723</u>	<u>\$ 8,223,724</u>	
C. Goal: PROGRAM ENHANCEMENT			
To enhance the agency's programmatic efforts to better serve the needs of Texans.			
C.1.1. Strategy: PROGRAM ENHANCEMENT	\$ 139,941	\$ 139,941	
Provide funding to improve agency's operational and programmatic efficiency.			
D. Goal: STAFF BENEFITS			
To maintain a competitive benefit program for employees and retirees pursuant to state mandated requirements.			
D.1.1. Strategy: STAFF GROUP INSURANCE	\$ 1,508,773	\$ 1,508,773	
Provide funding for staff group insurance premiums.			
D.1.2. Strategy: WORKERS' COMPENSATION INSURANCE	\$ 100,316	\$ 100,316	
Provide funding for workers' compensation insurance.			
D.1.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 42,898	\$ 42,898	
Provide funding for unemployment insurance.			
D.1.4. Strategy: OASI	<u>\$ 1,153,965</u>	<u>\$ 1,153,966</u>	
Provide funding for OASI.			
Total, Goal D: STAFF BENEFITS	<u>\$ 2,805,952</u>	<u>\$ 2,805,953</u>	

TEXAS ENGINEERING EXTENSION SERVICE
(Continued)

E. Goal: INDIRECT ADMINISTRATION		
E.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 6,567,342	\$ 6,567,342
E.1.2. Strategy: INFRASTRUCTURE SUPPORT	<u>\$ 1,039,592</u>	<u>\$ 1,039,592</u>
Total, Goal E: INDIRECT ADMINISTRATION	<u>\$ 7,606,934</u>	<u>\$ 7,606,934</u>
Grand Total, TEXAS ENGINEERING EXTENSION SERVICE	<u><u>\$ 45,175,238</u></u>	<u><u>\$ 45,175,240</u></u>

Method of Financing:		
General Revenue Fund	\$ 6,421,867	\$ 6,421,868
Federal Funds	9,675,335	9,675,336
Appropriated Receipts	21,555,237	21,555,237
Extension-related Indirect Cost Recovery, estimated	1,880,013	1,880,013
Interagency Contracts	<u>5,642,786</u>	<u>5,642,786</u>
Total, Method of Financing	<u><u>\$ 45,175,238</u></u>	<u><u>\$ 45,175,240</u></u>

2. **Increased Interagency Collaboration.** The Texas Agricultural Extension Service and the Texas Engineering Extension Service are directed to meet quarterly to generate, implement, and manage efforts designed to mutually reinforce each agency’s respective training mission and avoid potential duplication of training efforts. The agencies shall file a jointly produced report with the Legislative Budget Board and the Governor’s Office of Budget and Planning by October 1 of each year summarizing the actions taken to successfully meet the above purposes.

TEXAS FOREST SERVICE*

	For the Years Ending	
	August 31, 2002	August 31, 2003
1. Educational and General State Support	\$ 22,121,078	\$ 21,371,078
Grand Total, TEXAS FOREST SERVICE	<u><u>\$ 22,121,078</u></u>	<u><u>\$ 21,371,078</u></u>
Method of Financing:		
General Revenue Fund	\$ 12,258,802	\$ 11,508,802
Federal Funds	3,258,191	3,258,191
Interagency Contracts	200,000	200,000
Other Funds, estimated	2,604,085	2,604,085
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	<u>3,800,000</u>	<u>3,800,000</u>
Total, Method of Financing	<u><u>\$ 22,121,078</u></u>	<u><u>\$ 21,371,078</u></u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	344.0	344.0
Number of Full-Time-Equivalent Positions (FTE)-Total	344.0	344.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

*See also House Bill 2914.

TEXAS FOREST SERVICE
(Continued)

A. Goal: DEVELOP FOREST RESOURCES

To assure maximum development of the forest and tree resources throughout Texas and protect human life, the total forest environment and other rural lands and property from damage by wildfire, forest insects, diseases and other natural and man-caused factors.

Outcome (Results/Impact):

Saved-to-lost Ratio of Resource and Property Values from

Wildfire 8.5 8.5

Number of Trees Saved from Spread of Oak Wilt Disease 33,500 33,500

Number of Acres Protected through Windbreak Plantings 10,000 10,000

A.1.1. Strategy: WILDFIRE AND EMERGENCY PROGRAM \$ 9,870,068 \$ 9,870,068

Provide statewide leadership for an effective forest and rural land wildfire prevention, detection, and suppression program and emergency response management.

Output (Volume):

Number of Community Assists 2,400 2,400

Number of Contact Hours of Firefighter Training 24,000 24,000

Number of Hours Spent for Emergency Response 90,000 90,000

A.1.2. Strategy: FOREST INSECTS AND DISEASES \$ 603,937 \$ 603,937

Provide statewide leadership in the early detection, landowner notification, and control of major forest and tree insects and diseases.

Output (Volume):

Number of Property Owners Provided with Oak Wilt

Information 9,000 9,000

A.2.1. Strategy: FORESTRY LEADERSHIP \$ 6,262,120 \$ 5,512,120

Provide professional forestry leadership and markets for nonindustrial private forest resources.

Output (Volume):

Number of Acres of Reforestation on Nonindustrial Private

Forestland in East Texas 60,950 60,950

Number of Resource Development Assists 3,936 3,936

A.2.2. Strategy: ENVIRONMENTAL ENHANCEMENT \$ 1,929,219 \$ 1,929,219

Provide statewide leadership in environmental enhancement through management and conservation of tree and forest resources.

Output (Volume):

Number of Community Assists 510 510

Number of Windbreak Seedlings Planted 220,000 220,000

Total, Goal A: DEVELOP FOREST RESOURCES \$ 18,665,344 \$ 17,915,344

B. Goal: PROGRAM ENHANCEMENT

To enhance the agency's programmatic efforts to better serve the needs of Texans.

B.1.1. Strategy: PROGRAM ENHANCEMENT \$ 250,905 \$ 250,905

Provide funding to improve agency's operational and programmatic efficiency.

C. Goal: STAFF BENEFITS

To provide staff benefits to eligible employees and retirees pursuant to state law.

C.1.1. Strategy: STAFF GROUP INSURANCE \$ 509,101 \$ 509,101

Provide funding for staff group insurance premiums.

TEXAS FOREST SERVICE
(Continued)

C.1.2. Strategy: WORKERS' COMP INSURANCE Provide funding for workers' compensation insurance.	\$ 57,330	\$ 57,330
C.1.3. Strategy: UNEMPLOYMENT INSURANCE Provide funding for unemployment insurance.	\$ 11,466	\$ 11,466
C.1.4. Strategy: OASI Provide funding for OASI.	\$ 877,037	\$ 877,037
C.1.5. Strategy: HAZARDOUS DUTY PAY Provide funding for hazardous duty pay.	<u>\$ 8,500</u>	<u>\$ 8,500</u>
Total, Goal C: STAFF BENEFITS	<u>\$ 1,463,434</u>	<u>\$ 1,463,434</u>
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 1,699,450	\$ 1,699,450
D.1.2. Strategy: INFRASTRUCTURE SUPPORT	<u>\$ 41,945</u>	<u>\$ 41,945</u>
Total, Goal D: INDIRECT ADMINISTRATION	<u>\$ 1,741,395</u>	<u>\$ 1,741,395</u>
Grand Total, TEXAS FOREST SERVICE	<u><u>\$ 22,121,078</u></u>	<u><u>\$ 21,371,078</u></u>

Method of Financing:		
General Revenue Fund	\$ 12,258,802	\$ 11,508,802
Federal Funds	3,258,191	3,258,191
Interagency Contracts	200,000	200,000
Other Funds, estimated	2,604,085	2,604,085
General Revenue - Insurance Companies Maintenance Tax and Insurance Department Fees	<u>3,800,000</u>	<u>3,800,000</u>
Total, Method of Financing	<u><u>\$ 22,121,078</u></u>	<u><u>\$ 21,371,078</u></u>

2. **Overtime Payments, Contingency.** Included in the appropriation above, \$335,223 for each year of the biennium is for the sole purpose of paying mandatory overtime expenses of non-exempt employees of the Texas Forest Service when such overtime is incurred in emergency response activities. It is further provided that payments from this appropriation shall be made only upon overtime payroll vouchers submitted to the State Comptroller. Any balances remaining as of August 31, 2001 are hereby appropriated for the same purpose for the biennium beginning September 1, 2001, and balances remaining as of August 31, 2002 are hereby appropriated for fiscal year 2003.
3. **Texas Wildfire Protection Plan.** Out of the funds appropriated above in Strategy A.1.1, Wildfire and Emergency Program, \$3,800,000 from the Insurance Companies Maintenance Tax and Insurance Department Fees Account 8042 and \$200,000 in oil overcharge funds in each year of the biennium shall be used for the Texas Wildfire Protection Plan. Any unexpended balances remaining as of August 31, 2002, are hereby appropriated for the same purpose for fiscal year 2003.
4. **Pay for Regular Compensatory Time.** The Texas Forest Service, notwithstanding any other provisions of law, may pay its FLSA exempt employees on a straight-time basis for work on a holiday or for regular compensatory time hours when such time is worked in connection with an emergency and when the taking of regular compensatory time off would be disruptive to normal business functions.
5. **West Texas Nursery.** Out of the funds appropriated above in Strategy A.2.1, Forestry Leadership, \$750,000 in fiscal year 2002 shall be used to pay relocation and expansion expenses for the West Texas Nursery. Any unexpended balances remaining as of August 31, 2002 are hereby appropriated for the same purpose for fiscal year 2003.

TEXAS WILDLIFE DAMAGE MANAGEMENT SERVICE

	For the Years Ending	
	August 31, 2002	August 31, 2003
Out of the General Revenue Fund:		
1. Educational and General State Support	\$ 3,583,569	\$ 3,371,544
Grand Total, TEXAS WILDLIFE DAMAGE MANAGEMENT SERVICE	<u>\$ 3,583,569</u>	<u>\$ 3,371,544</u>
Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	92.1	92.1
Number of Full-Time-Equivalent Positions (FTE)-Total	153.6	153.6

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

Out of the General Revenue Fund:

A. Goal: WILDLIFE DAMAGE MANAGEMENT		
To protect the resources, property, and well-being of Texans from damage caused by or related to the activities of wildlife species.		
Outcome (Results/Impact):		
Percent of Texas Counties Receiving Direct Wildlife Damage Management Assistance	85%	85%
Percent of Texas Counties Receiving Zoonosis Monitoring Assistance	35%	35%
Percent of Texas Counties Receiving Wildlife Damage Management Technical Assistance	88%	88%
A.1.1. Strategy: DIRECT CONTROL ASSISTANCE	\$ 3,149,099	\$ 2,940,351
To provide operational direct control assistance on a cooperative basis for the protection of resources and human health.		
Output (Volume):		
Number of Specimen Samples Taken for Zoonosis Monitoring	5,625	5,625
Number of Properties Provided Wildlife Damage Management Assistance	6,000	6,000
A.2.1. Strategy: TECHNICAL ASSISTANCE	<u>\$ 347,423</u>	<u>\$ 343,904</u>
To provide the general public with a consistent source of technical assistance and information on the proper handling of specific wildlife problems and education concerning the necessity for wildlife damage management.		
Output (Volume):		
Number of Technical Assistance Projects (i.e., Personal, Phone, and Written Consultations) Conducted	10,500	10,500
Total, Goal A: WILDLIFE DAMAGE MANAGEMENT	<u>\$ 3,496,522</u>	<u>\$ 3,284,255</u>
B. Goal: PROGRAM ENHANCEMENT		
To enhance the agency’s programmatic efforts to better serve the needs of Texans.		
B.1.1. Strategy: PROGRAM ENHANCEMENT	\$ 75,153	\$ 75,153
Provide funding to improve agency’s operational and programmatic efficiency.		

TEXAS WILDLIFE DAMAGE MANAGEMENT SERVICE
(Continued)

C. Goal: STAFF BENEFITS		
To maintain a competitive benefit program for employees and retirees pursuant to state mandated requirements.		
C.1.1. Strategy: WORKERS' COMP INSURANCE	\$	11,894
Provide funding for workers' compensation insurance.	\$	12,136
Grand Total, TEXAS WILDLIFE DAMAGE MANAGEMENT SERVICE	\$	3,583,569
	\$	3,371,544

2. **Beaver Control - East Texas.** Out of the funds appropriated above, \$200,000 for fiscal year 2002 and \$200,000 for fiscal year 2003 shall be used for Beaver Control - East Texas.
3. **Feral Hog Control.** Out of the funds appropriated above in Strategy A.1.1, Direct Control Assistance, \$50,000 for fiscal year 2002 and \$50,000 for fiscal year 2003 shall be used for Feral Hog Control.
4. **All-terrain Vehicle Replacement.** Out of the funds appropriated above in Strategy A.1.1, Direct Control Assistance, \$60,000 in fiscal year 2002 shall be used to purchase new all-terrain motor vehicles. Any unexpended balances remaining as of August 31, 2002 are hereby appropriated for the same purpose for fiscal year 2003.

TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY

	For the Years Ending	
	August 31,	August 31,
	2002	2003
1. Educational and General State Support	\$ 10,954,742	\$ 9,554,742
Grand Total, TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY	\$ 10,954,742	\$ 9,554,742
Method of Financing:		
General Revenue Fund	\$ 5,831,508	\$ 4,431,507
Drug Testing Laboratory Fee Revenue, estimated	1,030,210	1,030,210
Veterinary Medical Diagnostic Laboratory Fee Revenue, estimated	4,093,024	4,093,025
Total, Method of Financing	\$ 10,954,742	\$ 9,554,742
Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	155.0	155.0
Number of Full-Time-Equivalent Positions (FTE)-Total	155.0	155.0

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
(Continued)

A. Goal: DIAGNOSTIC AND DRUG TESTING		
To continue to provide a high-quality veterinary diagnostic service, drug testing, export testing and disease surveillance program to the animal industries.		
Outcome (Results/Impact):		
Number of Diagnostic Services Rendered	121,500	121,500
Percent of Animals Testing Drug Free	99.5%	99.5%
A.1.1. Strategy: DIAGNOSTIC SERVICES	\$ 6,740,595	\$ 6,740,594
Provide diagnostic service and disease surveillance.		
Output (Volume):		
Number of Cases Submitted and Examined	160,000	160,000
A.2.1. Strategy: DRUG TESTING SERVICE	\$ 875,452	\$ 875,452
Provide drug testing service primarily for the pari-mutuel animal racing industries.		
Output (Volume):		
Number of Animals Tested	26,500	26,500
Total, Goal A: DIAGNOSTIC AND DRUG TESTING	\$ 7,616,047	\$ 7,616,046
B. Goal: PROGRAM ENHANCEMENT		
To enhance the agency’s programmatic efforts to better serve the needs of Texans.		
B.1.1. Strategy: PROGRAM ENHANCEMENT	\$ 84,557	\$ 84,557
Provide funding to improve agency’s operational and programmatic efficiency.		
C. Goal: STAFF BENEFITS		
To maintain a competitive benefit program for employees and retirees pursuant to state mandated requirements.		
C.1.1. Strategy: STAFF GROUP INSURANCE	\$ 332,361	\$ 332,362
Provide funding for staff group insurance premiums.		
C.1.2. Strategy: WORKERS’ COMP INSURANCE	\$ 27,732	\$ 27,732
Provide funding for workers’ compensation insurance.		
C.1.3. Strategy: UNEMPLOYMENT INSURANCE	\$ 3,037	\$ 3,037
Provide funding for unemployment insurance.		
C.1.4. Strategy: OASI	\$ 232,228	\$ 232,228
Provide funding for OASI.		
C.1.5. Strategy: OPTIONAL RETIREMENT PROGRAM	\$ 51,225	\$ 51,225
Optional retirement program differential.		
Total, Goal C: STAFF BENEFITS	\$ 646,583	\$ 646,584
D. Goal: INDIRECT ADMINISTRATION		
D.1.1. Strategy: INDIRECT ADMINISTRATION	\$ 655,035	\$ 655,035
D.1.2. Strategy: INFRASTRUCTURE SUPPORT	\$ 1,952,520	\$ 552,520
Total, Goal D: INDIRECT ADMINISTRATION	\$ 2,607,555	\$ 1,207,555
Grand Total, TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY	<u>\$ 10,954,742</u>	<u>\$ 9,554,742</u>

TEXAS VETERINARY MEDICAL DIAGNOSTIC LABORATORY
(Continued)

Method of Financing:		
General Revenue Fund	\$ 5,831,508	\$ 4,431,507
Drug Testing Laboratory Fee Revenue, estimated	1,030,210	1,030,210
Veterinary Medical Diagnostic Laboratory Fee Revenue, estimated	<u>4,093,024</u>	<u>4,093,025</u>
Total, Method of Financing	<u><u>\$ 10,954,742</u></u>	<u><u>\$ 9,554,742</u></u>

2. **Drug Testing Laboratory Reimbursement.** From fees collected from the drug testing program for race horses and dogs, the Texas Veterinary Medical Diagnostic Laboratory shall transfer funds to the General Revenue Fund to the extent possible during the 2002–2003 and 2004–2005 biennia to reimburse fully the amounts provided for start-up funding for the drug testing laboratory. It is the intent of the Legislature that all transfers be complete on or before August 31, 2005.
3. **Infrastructure Support.** Out of the funds appropriated above in Strategy D.1.2, Infrastructure Support, \$1,400,000 in fiscal year 2002 shall be used to purchase a new facility in Center, build a new cold storage area in the College Station laboratory and install a new air conditioning unit in the Amarillo facility. Any unexpended balances remaining as of August 31, 2002 are hereby appropriated for the same purpose for fiscal year 2003. Furthermore, out of the funds appropriated above in Strategy D.1.2, Infrastructure Support, \$552,520 in fiscal year 2002 and \$552,520 in fiscal year 2003 shall be used for purposes of infrastructure support and maintenance.

TEXAS FOOD AND FIBERS COMMISSION

	For the Years Ending	
	August 31, <u>2002</u>	August 31, <u>2003</u>
1. Educational and General State Support	\$ 5,071,436	\$ 5,143,489
Grand Total, TEXAS FOOD AND FIBERS COMMISSION	<u><u>\$ 5,071,436</u></u>	<u><u>\$ 5,143,489</u></u>

Method of Financing:		
General Revenue Fund	\$ 1,550,294	\$ 1,525,293
Federal Funds	180,308	181,412
Other Funds, estimated	<u>3,340,834</u>	<u>3,436,784</u>
Total, Method of Financing	<u><u>\$ 5,071,436</u></u>	<u><u>\$ 5,143,489</u></u>

Number of Full-Time-Equivalent Positions (FTE)-Appropriated Funds	3.0	3.0
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Number of Full-Time-Equivalent Positions (FTE)-Total	3.0	3.0
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Schedule of Exempt Positions:		
Executive Director, Group 2	\$66,459	\$66,459

1. **Informational Listing of Appropriated Funds.** The appropriations made above for Educational and General State Support are subject to the special and general provisions of this Act and include the following amounts for the purposes indicated.

TEXAS FOOD AND FIBERS COMMISSION
(Continued)

A. Goal: SUPPORT AND COORDINATE RESEARCH
To support and coordinate cooperative research relating to the production, use, and quality of Texas natural fibers and food protein products at Texas universities.

Outcome (Results/Impact):			
Percent Change in the Dollar Volume of Research and Development Projects Conducted			
		1%	0%
A.1.1. Strategy: RESEARCH AND DEVELOPMENT	\$	4,880,031	\$ 4,952,084
Review, coordinate, and fund research and development programs that expand the use and improve the quality of Texas cotton, wool, mohair, oilseeds, and food proteins.			
Output (Volume):			
Number of Research and Development Projects		46	46
Number of Formal Published Research Reports		175	175
Efficiencies:			
Leverage Ratio of General Revenue to Other Research Funds		2.82	2.9

B. Goal: INDIRECT ADMINISTRATION			
B.1.1. Strategy: INDIRECT ADMINISTRATION	\$	191,405	\$ 191,405
 Grand Total, TEXAS FOOD AND FIBERS COMMISSION			
	\$	<u>5,071,436</u>	\$ <u>5,143,489</u>

Method of Financing:			
General Revenue Fund	\$	1,550,294	\$ 1,525,293
Federal Funds		180,308	181,412
Other Funds, estimated		<u>3,340,834</u>	<u>3,436,784</u>
Total, Method of Financing	\$	<u>5,071,436</u>	\$ <u>5,143,489</u>

2. **Contract Requirements.** The Texas Food and Fibers Commission is hereby authorized to contract with any institution pursuant to the provisions of VTCA, Agriculture Code, Chapter 42. All funds received by the Texas Food and Fibers Commission in the form of grants and/or gifts are hereby appropriated to the specific purpose or purposes authorized by the grantor, and may be withdrawn from the State Treasury; provided, however, that the Texas Food and Fibers Commission shall not accept and place in the State Treasury any grants as provided under this paragraph which would cause the violation of the specific or general provisions of this Act. It is further provided that where any grant exceeds the total cost of the specific project for which it was made, such excess may be returned to the grantor and such excess amounts are hereby appropriated for this purpose.
3. **Reimbursement of Advisory Committee Members.** Pursuant to VTCA, Government Code § 2110.004, reimbursement of expenses for advisory committee members, out of the funds appropriated above, \$3,000 in fiscal year 2002 and \$3,000 in fiscal year 2003 is limited to the following advisory committee: Industry Advisory Committee.

RETIREMENT AND GROUP INSURANCE

	For the Years Ending	
	August 31, 2002	August 31, 2003
A. Goal: EMPLOYEES RETIREMENT SYSTEM		
A.1.1. Strategy: RETIREMENT - PUBLIC EDUCATION Provide an actuarially sound level of funding as defined by state law for employees of public education agencies. Estimated.	\$ 6,360,381	\$ 6,487,589
A.1.2. Strategy: RETIREMENT- HIGHER EDUCATION Provide an actuarially sound level of funding as defined by state law for employees of higher education institutions. Estimated.	\$ 517,904	\$ 528,262
A.1.3. Strategy: GROUP INSURANCE - PUBLIC EDUCATION Provide a basic health care and life insurance program for general state employees of public education agencies. Estimated.	\$ 14,948,970	\$ 16,938,969
A.1.4. Strategy: GROUP INSURANCE - HIGHER EDUCATION Provide a basic health care and life insurance program for employees of higher education institutions. Estimated.	\$ 1,257,502	\$ 1,420,604
Total, Goal A: EMPLOYEES RETIREMENT SYSTEM	\$ 23,084,757	\$ 25,375,424
Grand Total, RETIREMENT AND GROUP INSURANCE	\$ 23,084,757	\$ 25,375,424
Method of Financing:		
General Revenue Fund, estimated	\$ 21,673,369	\$ 23,940,918
Federal Funds, estimated	1,285,725	1,298,515
Other Special State Funds, estimated	125,663	135,991
Total, Method of Financing	\$ 23,084,757	\$ 25,375,424

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY

	For the Years Ending	
	August 31, 2002	August 31, 2003
A. Goal: SOCIAL SECURITY/BENEFIT REPLACEMENT To provide funding to the Comptroller of Public Accounts for Social Security Contributions and Benefit Replacement Pay.		
A.1.1. Strategy: STATE MATCH - EMPLOYER - PUBLIC ED Provide an employer match for Social Security contributions for employees of public education agencies. Estimated.	\$ 6,179,470	\$ 6,303,060
A.1.2. Strategy: STATE MATCH-EMPLOYER-HIGHER ED Provide an employer match for Social Security contributions for employees of institutions of higher education. Estimated.	\$ 195,928,304	\$ 204,734,632

SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY
(Continued)

A.1.3. Strategy: BRP – PUBLIC EDUCATION Provide Benefit Replacement Pay to eligible employees of public education agencies. Estimated.	\$	1,207,456	\$	1,120,096
A.1.4. Strategy: BRP - HIGHER EDUCATION Provide Benefit Replacement Pay to eligible employees of higher education agencies. Estimated.	\$	<u>161,440</u>	\$	<u>149,760</u>
Total, Goal A: SOCIAL SECURITY/BENEFIT REPLACEMENT	\$	<u>203,476,670</u>	\$	<u>212,307,548</u>
Grand Total, SOCIAL SECURITY AND BENEFIT REPLACEMENT PAY	\$	<u>203,476,670</u>	\$	<u>212,307,548</u>
Method of Financing: General Revenue Fund, estimated General Revenue - Dedicated, estimated Federal Funds, estimated Other Special State Funds, estimated	\$	166,442,351 30,405,743 1,238,996 <u>5,389,580</u>	\$	173,755,900 31,774,001 1,206,188 <u>5,571,459</u>
Total, Method of Financing	\$	<u>203,476,670</u>	\$	<u>212,307,548</u>

BOND DEBT SERVICE PAYMENTS

	For the Years Ending	
	August 31,	August 31,
	<u>2002</u>	<u>2003</u>
Out of the General Revenue Fund:		
A. Goal: FINANCE CAPITAL PROJECTS		
To provide funding to the Texas Public Finance Authority for the payment of general obligation bond debt service requirements.		
A.1.1. Strategy: BOND DEBT SERVICE	\$ 141,700	\$ 1,128,900
		& UB
Make general obligation bond debt service payments in compliance with bond covenants.		
Grand Total, BOND DEBT SERVICE PAYMENTS	<u>\$ 141,700</u>	<u>\$ 1,128,900</u>

LEASE PAYMENTS

	For the Years Ending	
	August 31,	August 31,
	2002	2003
Out of the General Revenue Fund:		
A. Goal: FINANCE CAPITAL PROJECTS		
To provide funding to the General Services Commission for payment to the Texas Public Finance Authority for the payment of revenue bond debt service requirements.		
A.1.1. Strategy: LEASE PAYMENTS - PUBLIC EDUCATION	\$ 6,628,879	\$ 6,602,221 & UB
Make lease payments to the Texas Public Finance Authority for the payment of revenue bond debt service requirements for public education agencies on facilities financed through the Texas Public Finance Authority.		
A.1.2. Strategy: LEASE PAYMENTS - HIGHER EDUCATION	\$ 1,487,935	\$ 1,492,321 & UB
Make lease payments to the Texas Public Finance Authority for the payment of revenue bond debt service requirements for higher education agencies and institutions on facilities financed through the Texas Public Finance Authority.		
Total, Goal A: FINANCE CAPITAL PROJECTS	\$ 8,116,814	\$ 8,094,542
Grand Total, LEASE PAYMENTS	\$ 8,116,814	\$ 8,094,542

SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES OF HIGHER EDUCATION

The Special Provisions which follow shall apply only to agencies of higher education:

Sec. 2. Local Funds Appropriated. All balances of local funds except for any identifiable general revenue in the local funds of the state institutions of higher education named in this Article, as those funds are defined in VTCA, Education Code § 51.009(a), at the close of the fiscal year ending August 31, 2001, including balances in their local revolving funds at that time, and the income to said funds during the fiscal years beginning September 1, 2001 and 2002, are hereby appropriated for the operation, maintenance, and improvement of the respective state institutions. Institutional funds, as those funds are defined in VTCA, Education Code § 51.009(b), shall be expended as authorized by the laws governing the use of the funds, and unless specifically included or identified, are exempt from the Article III and IX Special Provisions of this Act.

All local funds shall be subject to the special and general provisions of Articles III and IX except where certain local funds are specifically exempted from these provisions by a provision herein or by specific statutory authority.

Sec. 3. Definition of Terms.

1. As used in this Act, the term "general academic institutions" shall mean only the following institutions:

The University of Texas at Arlington
The University of Texas at Austin
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas - Pan American
The University of Texas at Brownsville
The University of Texas of the Permian Basin
The University of Texas at San Antonio
The University of Texas at Tyler
Texas A&M University
Texas A&M University at Galveston
Prairie View A&M University
Tarleton State University
Texas A&M University - Corpus Christi
Texas A&M University - Kingsville
Texas A&M International University
West Texas A&M University
Texas A&M University - Commerce
Texas A&M University - Texarkana
University of Houston
University of Houston - Clear Lake
University of Houston - Downtown
University of Houston - Victoria
Midwestern State University
University of North Texas
Stephen F. Austin State University
Texas Southern University
Texas Tech University
Texas Woman's University
Angelo State University
Lamar University
Lamar Institute of Technology
Lamar State College - Orange

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Lamar State College - Port Arthur
Sam Houston State University
Southwest Texas State University
Sul Ross State University, including:
Sul Ross State University Rio Grande College

2. "Educational and General Funds" are those funds defined in VTCA, Education Code § 51.009(c) and General Revenue Fund appropriations.

Sec. 4. Transfer Provisions.

1. **Intercomponent Transfers.** With the approval of the respective governing board, appropriation transfers may be made among medically-related components and their associated system administration, among academic component institutions and their associated system administration, and among component technical colleges controlled by the board, and within each institution, transfers may be made between informational items of appropriation for the general academic institutions, health centers, health science centers, medical education programs, and technical colleges regardless of whether the informational items are general revenue or local funds in character. Transfers may not be made from medically-related components to academic components or from academic components to medically-related components except that transfers may be made from schools of nursing, pharmacy and allied health in academic components to medically-related components and from medically-related components into the health-related programs listed above in academic components. Transfers may not be made into the informational items setting the salary rate for the president, chancellor, or for any other line-item salary shown. Nothing in this section shall authorize the transfer of appropriations from Texas A&M University Service Agencies to Texas A&M University.
2. **Health to Academic Intercomponent Transfers with LBB Prior Approval.** As an exception to the provisions in Subsection 1., transfers may be made with prior approval of the Governor and Legislative Budget Board from medically-related components to general academics if it does not diminish the academic programs of the medically-related component or result in increased fees to patients at the component. The systems shall furnish whatever documentation may be required by the Governor and Legislative Budget Board to assure these conditions are met.
3. **Revenue Enhancement and Transfer Notification.** The Legislature instructs The University of Texas System to enhance local funds revenues to reduce the need for general revenue funds. The Legislature instructs The University of Texas System to give 30 days notice to the Legislative Budget Board and Governor prior to transferring local funds from any System hospital. Furthermore, notwithstanding the provisions of subsections 1 and 2 above, The University of Texas System Board of Regents shall not transfer funds from health institutions delivering patient care if such a transfer would result in a decrease in the quality or amount of indigent patient care offered by the affected institution.
4. **Reporting of Transfers.** Any transfers made pursuant to Subsections 1, 2, and 3, whether general revenue or local funds in nature, shall be reported in the Legislative Appropriations Request for the biennium beginning September 1, 2003.
5. **Tuition Revenue Bond and Revenue Bond Transfers.** Notwithstanding the other provisions of this act, transfers are not prohibited to the extent they are required to comply with proceedings authorizing bonds or other obligations now outstanding or hereafter issued pursuant to law.

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Sec. 5. Salary and Benefit Provisions.

1. **Prorated Salaries Authorized.** Any employees who distribute their time and duties between general administration, instruction, organized activities related to instruction, and the management of auxiliary enterprises, may receive their total salary payments in proportionate parts from such activities and from the appropriated or available funds therefore.
2. **President Salaries.** Out of the educational and general funds appropriated to the general academic institutions, health centers, health science centers, and medical education programs, an amount NTE \$65,945 in 2002 and \$65,945 in 2003 may be expended for the salary of a president. All presidents may receive in addition to the above amounts a house, utilities, and/or supplement from institutional funds. If a house owned by the institution, center, or program is not available, an amount NTE \$7,200 per year from the appropriation to the institution, center, or program, and additional amounts from institutional funds where required, may be provided in lieu of house and utilities.
3. **Chancellor Salaries.** Out of the funds appropriated, transferred, or contracted to the system offices, an amount NTE \$70,231 in 2002 and \$70,231 in 2003 may be expended for the salary for a chancellor. All chancellors may receive in addition to the above amounts a house, utilities, and/or supplement from institutional funds. If a system owned house is not available an amount NTE \$7,200 per year from the system office appropriation and additional amounts from private and institutional funds where required, may be provided in lieu of house and utilities.
4. **Merit Authorization.** It is expressly provided that institutional administrators may grant merit salary increases to employees whose job performance and productivity is consistently above that normally expected or required.
5. **Merit Requirement for Faculty and Faculty Equivalent Employees of Institutions and Agencies of Higher Education.** Notwithstanding any other provisions of this act, salary increases for faculty or faculty equivalent employees of institutions of higher education shall be awarded on the basis of merit and performance in accepted activities. This shall not be interpreted so as to preclude salary adjustment designed to avoid salary inequities.
6. **Group Insurance Premiums.** For the biennium ending August 31, 2003, there is hereby appropriated such amounts, from local funds or educational and general income available to institutions of higher education, as may be necessary to pay the proportional share of the State's contributions for Staff Group Health Insurance Premiums. Funds appropriated by this subsection may be transferred by those institutions not retaining separate insurance programs to the Employees Retirement System at appropriate intervals to pay the proportional share of the group insurance premiums.
7. **Higher Education Institutions Participating in the Employees Retirement System Group Insurance Program.** General Revenue funds appropriated herein shall be supplemented by funds appropriated elsewhere in this Act for employees enrolled in the State Kids Insurance Program (SKIP) to provide for a premium-sharing structure comparable to the Children's Health Insurance Program (CHIP). Institutions of higher education participating in the Employees Retirement System Group Insurance Program paying for health insurance costs from non-General Revenue Funds shall provide the same levels of premium-sharing for SKIP enrollees as provided for those higher education employees with health insurance paid from General Revenue Funds.

Sec. 6. Expenditure Provisions. The expenditure of the appropriations made in this Article or authorized in law for institutions of higher education except bequests and gifts specifically designated to be in some manner handled otherwise, shall be subject to the provisions of this section which follow and with exceptions only as specifically noted:

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1. **Annual Operating Budgets Required.** It is expressly provided that the governing board of each of the institutions of higher education named herein shall approve on or before September 1, 2001 and 2002, an itemized budget covering the operation of the ensuing fiscal year, which budget shall be prepared within the limits of the revenue available. Each institution's operating budget shall contain a section(s) which provides budget amounts and the method of finance for each listed informational item of appropriated funds contained in this act. A copy of each budget, and any subsequent amendments thereto, shall be filed with the Legislative Reference Library and the institution's general library to be available for public inspection. Copies of each budget shall also be filed with the Legislative Budget Board, the Executive Budget Office, and the Texas Higher Education Coordinating Board by November 1 of each fiscal year.
2. **Clearing Accounts.** At their option, the institutions may use their local depository bank account in lieu of the special clearing account, authorized by Education Code, § 51.008(b), provided that the general requirements set out in therein, for deposits and transfers to the state treasury, are complied with.
3. **Revolving Funds.**
 - a. Each institution affected by this section, at its option, is hereby authorized to maintain a revolving fund to facilitate the payment of nominal expenses and to pay bills within cash discount periods. The institutions may use the revolving fund for regular monthly payrolls as well as for weekly and special payrolls. Disbursements from the revolving funds are to be reimbursed from respective items of educational and general appropriation made herein, the Comptroller of Public Accounts being hereby authorized to make such reimbursements on claims filed with him by the institutions under his regularly prescribed procedures except that one voucher and one warrant may cover any number of claims for this purpose. These reimbursement claims shall meet the same requirements as other claims against state appropriations, and each institution shall prepare such a reimbursement claim as at the close of business on the last day of each month and as many times during the month as may be expedient in order to make unnecessary the maintaining of an unreasonably large revolving fund.
 - b. The respective governing board shall determine the amounts of the revolving funds to be set up for each institution, and may increase or decrease the amounts if necessary. Such governing board shall designate a depository bank for each revolving fund, and shall specify the officers and/or employees to sign checks drawn on each such fund. The depository bank for each revolving fund shall be required to secure the deposit as provided by law.
 - c. Appropriations to all institutions of higher education and systems, except funds identified exclusively for salaries, may be used to reimburse any revolving fund operated for the benefit of one or more parts or component units of an institution or system, such as a motor pool for managing automotive vehicles authorized by this Act, a feed supply center, an office supply or laboratory supply center, a computer center, or any other operations of a similar nature established by authority of the governing board of said institution or system.
4. **Local Depositories.** The governing boards of the respective institutions for which appropriations are made in this Article are hereby authorized to select depository banks for the safekeeping of funds which are authorized, by statute, to be maintained outside the state treasury. The boards shall require depository banks to furnish adequate surety bonds or securities to be posted for the assurance of safety of such deposits. The depository bank or banks so selected are hereby authorized to pledge their securities for assurance of safety for such funds. All such local funds shall be deposited in these depositories within seven (7) days from date of collection. The governing boards may require the depository so designated and

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selected to pay interest on deposits at a rate to be agreed upon by said depositories and said boards.

5. Investment Reports.

- a. The governing board of each of the educational institutions named in this Article shall file with the State Auditor, Comptroller of Public Accounts, Legislative Budget Board, and the Governor's Office a quarterly report of all investment transactions involving endowment funds, short-term and long-term investment funds, and all other securities transactions, in a method prescribed by the State Auditor's Office. Copies of such reports shall be available for public inspection.
- b. The governing boards of each educational institution named in this Article must adopt formal investment policies. Each governing board shall submit to the Legislative Budget Board and State Auditor's Office a copy of their investment policy by December 31 of each year.

6. Central Services Accounts.

- a. Out of funds appropriated in this Article, the governing boards of the university systems and their component units, and institutions of higher education may employ persons to serve two or more parts or component units of the system or institution and may pay their salaries in whole or in part from the informational items of appropriation made herein to any component unit. The governing boards are authorized to establish accounts from which salaries and expenses for the administration and supervision of the units of the system or institution may be paid and to require the units, including any other agency the administration of which it may be charged with by law, to pay into this account from any general revenue, local, or institutional funds their proportionate share as determined by the board for the expense of such administration and supervision. The Comptroller of Public Accounts is authorized to set up an account for each of the systems or institutions and to deposit in the account funds to the amount authorized by the governing boards and executive heads of the respective units, from funds appropriated by the Legislature to the units for noninstructional salaries and general operating expenses. The Comptroller is authorized to draw warrants against such accounts based on vouchers submitted by the systems or institutions in payment of salaries, maintenance, equipment or travel incidental to the administration and supervision of the respective units.
- b. The systems and institutions whose governing boards and component units are subject to the above are authorized to establish the following accounts:

Texas A&M University System Central Services Account
The University of Texas System Central Services Account
University of Houston System Central Services Account
Texas Tech University System Central Services Account
University of North Texas System Central Services Account
Texas State University System Central Services Account
- c. Travel expense incurred by a person employed by one unit of an above system or institution in connection with service to the other units may be reimbursed by the unit for which such services are performed or proportionately if more than one such unit is involved.

- 7. Utility Revolving Funds.** The governing boards of Texas Woman's University, West Texas A&M University, all components of the University of Houston System, Texas State University System, Texas Tech University System, University of North Texas System, and The University of Texas System are authorized to use appropriated funds, except funds expressly identified for

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salaries, to make payments of debt service and other payments in connection with utility plant revenue bonds and utility plant operation and maintenance expenses, and/or to reimburse any revolving fund now or hereafter established in connection with providing utility services to any building or facility of the college or university, in accordance with the general principles established in VTCA, Education Code § 55.11, and the creation and maintenance of any such revolving fund is hereby authorized.

8. Appropriation Expenditure Authorization.

- a. The educational and general appropriations made in this Act to the general academic teaching institutions, health related institutions and Texas State Technical College may be expended for the following purposes, including, but not limited to: Instruction; Research; Public Service; Academic Support; Student Services; Institutional Support; Operation and Maintenance of Plant; Scholarships; Staff Benefits; Organized Activities; and Patient Care. Major repairs and rehabilitation of buildings and facilities may be purchased from appropriated funds, but may not be purchased from general revenue funds that are not expressly identified or allocated for such purposes.
- b. No educational and general funds appropriated to any institution or agency named in this article may be expended on auxiliary enterprises, unless specifically authorized in this Act.

9. Tuition Revenue Bonds and Revenue Bonds. Funds clearly identified in separate informational strategies to the general academic teaching institutions and health sciences centers for revenue or tuition revenue bond retirement may be expended only to reimburse institutions or centers for debt retirement authorized by VTCA, Education Code § 55.17 through § 55.174 and § 55.19, and any additional authorization enacted by the Seventy-seventh Legislature. Any funds in excess of the amount expended for debt retirement shall be reverted to the General Revenue Fund at the end of each fiscal year.

Sec. 7. Recruitment of Students. No funds appropriated by this Act may be expended for travel expenses incurred outside the boundaries of the State of Texas for the purpose of direct recruitment of students.

Sec. 8. Television Stations Prohibited. None of the educational and general funds appropriated in this Article may be expended for the acquisition, construction or operation of television transmitter stations; provided, however, this prohibition shall not be construed so as to prevent the institutions of higher education named in this Article from using closed-circuit television for purely instructional purposes, or to prevent institutions with existing public broadcasting or transmitter stations to use them for educational purposes, or to prevent the continuance of operating arrangements with existing transmitter stations for purely educational purposes; or to prevent cooperative arrangements with public broadcast stations.

Sec. 9. Intercollegiate Athletics. The special and general provisions of Articles III and IX of this Act shall not apply to intercollegiate athletics. The governing boards of the respective institutions of higher education shall make such necessary rules and adjustments as may be deemed advisable for the management and operation of such activities; however, no funds under control of intercollegiate athletics may be used to purchase alcoholic beverages; no educational and general funds appropriated may be used for the operation of intercollegiate athletics; such rules and adjustments shall be designed to complement the rules applicable to other departments of the respective institution and finally, such rules and adjustments shall specifically prohibit violation of National Collegiate Athletic Association (NCAA) or other governing body rules with respect to recruitment of athletes.

Sec. 10. Prohibition Against Additional Museums. None of the educational and general funds appropriated in this Article shall be used for establishing additional museums or for the maintenance and operation of museums unless the language of this Act or of other acts and resolutions of the

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Legislature specifically authorizes such use of educational and general funds. As an exception to this provision, in order to encourage and promote gifts, grants, or donations to institutions of higher education, it is specifically provided that an institution which receives such gifts, grants or donations for the construction or establishment of a museum, which is added to an institution's building inventory after September 1, 1997, may use education and general funds appropriated by this Article for the maintenance and operation of such a museum. This exception applies only to the authority to spend appropriated funds for these purposes; such museum space shall not be included in formula calculations for purposes of determining the amounts of appropriations due for maintenance or operations of institutional facilities.

Sec. 11. Method of Financing Scholarships.

1. Out of the funds identified by this Article in the informational items described as "Other Educational and General Income," the respective governing boards of the general academic teaching institutions and of the health centers, health science centers, or technical colleges may allocate and expend the actual receipts in such informational item for student scholarships pursuant to the provisions of VTCA, Education Code § 56.031 to § 56.039, cited as the Texas Public Educational Grants Program.
2. Out of the funds identified by this Article in the informational strategies described as "Scholarships," the respective governing boards may allocate and expend for student scholarships and the institutional share required to match Federal Work Study Funds such amounts as the boards may determine; provided, however, that each student receiving such scholarship first shall have utilized any federal grant funds for which the student may reasonably be eligible; and, that such scholarship, when combined with all other grant or gift funds awarded to the student, shall not exceed 70 percent of the reasonable expenses to be incurred by the student in the semester or term for which the scholarship is awarded; and provided, however, that no student shall receive an amount in excess of demonstrated need. The respective governing boards may transfer up to one-half of the amount to be awarded as scholarship to each otherwise eligible student to the Texas Higher Education Coordinating Board for use as matching funds to be awarded to that student through the Texas Public Educational Grants Program.
3. Copies of such approved allocations together with copies of rules and regulations adopted by the respective governing boards concerning the award of such scholarships, shall be filed with the Coordinating Board and with the Comptroller prior to the disbursement of any moneys for scholarships. Copies of any subsequent changes in such allocations or rules shall be similarly filed with the Coordinating Board and with the Comptroller.
4. No educational and general funds appropriated in this Act for scholarships to institutions of higher education may be used to provide athletic scholarships.
5. Out of the additional funds appropriated for the 2002–03 biennium for the informational strategy described as "Scholarships," it is the intent of the Legislature that the respective governing boards shall allocate and expend such funds for need-based student scholarships regardless of the race, sex, color or ethnicity of the student recipient.

Sec. 12. Use of Educational and General Funds for Alumni Activities Prohibited. None of the educational and general funds appropriated by this Article may be expended by institutions of higher education for the support or maintenance of alumni organizations or activities.

Sec. 13. Limitation of Nonresident Enrollment in Certain State-supported Professional Schools.

1. None of the funds appropriated by this Act may be expended for the establishment, operation, or maintenance, or for the payment of any salaries to the employees in, any wholly or partially

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state-supported medical, dental, or law school which: (a) imposes a limitation on the number of students that it admits, (b) in an academic semester denies admission to one or more Texas residents who apply for admission and who reasonably demonstrate that they are probably capable of doing the quality of work that is necessary to obtain the usual degree awarded by such school, and (c) in the same academic semester admits, as either class, nonresidents of the State of Texas in a number greater than 10 percent of the class of which such nonresidents are a part. Limitation of nonresident enrollment at The University of Texas Law School, Texas Tech University School of Law, and the University of Houston Law Center may be increased to 20 percent of the class of which nonresidents are a part provided that the admission of such nonresident students is on the basis of academic merit alone. By the provisions of this paragraph it is intended to withhold funds appropriated by this Act from state-supported medical, dental, and law schools which limit their enrollments and which fill more than 10 percent of their classes with non-resident students in the case of medical and dental schools, and 20 percent in the case of The University of Texas Law School, Texas Tech University Law School and the University of Houston Law Center, when the result of admitting a nonresident denies admission to a qualified Texas applicant. This provision shall not apply to the funds appropriated to the Coordinating Board for the funding of Baylor College of Medicine or to funds appropriated for tuition equalization grants for students attending private colleges.

2. In addition, The University of Texas Southwestern Medical Center at Dallas may admit up to 25 competitively recruited medical students in each entering class for a specialized six-year program of clinical and research training designed to lead to the MD and PhD degrees irrespective of whether those students are Texas residents.
3. Texas medical schools may enroll up to 6 competitively recruited medical students, who already possess the DDS degree, in each second year medical school class for a specialized six year program in oral and maxillofacial surgery comprised of the last three years of medical school and a three year residency program irrespective of whether those students are Texas residents.

Sec. 14. **Off-campus Instruction.** General academic institutions may teach courses off campus with the following restrictions:

1. At the conclusion of each fiscal year, the Coordinating Board shall file a report with the Executive Budget Office and the Legislative Budget Board on all general academic institutions concerning off-campus semester credit hours for that fiscal year.
2. Semester credit hours generated at upper level centers authorized by the Legislature or by the Coordinating Board, as well as at Prairie View A&M's Houston nursing program and Texas Woman's University nursing programs in Dallas and Houston are not considered to be off-campus.
3. All courses taught off campus must be taught by a regular faculty member or administrator who is employed at least half-time on the main campus of the institution. The Commissioner of Higher Education may waive this requirement in special cases where institutions can justify the use of a uniquely qualified individual. Allied health and vocational instructors are exempted from this requirement.

Sec. 15. **Medical School Enrollment.** It is the intent of the Legislature that the first year class enrollment of undergraduate medical students in the fiscal years ending August 31, 2002 and August 31, 2003, shall be no less than 200 students at The University of Texas System medical colleges and 100 students at the University of North Texas Health Science Center at Fort Worth and the Texas Tech University Health Sciences Center College of Medicine. This provision shall not be construed as requiring any school of medicine to accept an unqualified applicant. In the event that a school of medicine falls below the required first year class enrollment of undergraduate medical students by more than 5 percent for fiscal years 2002 and 2003, the school shall report to the Legislative Budget

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Board the reasons for failing to meet the required enrollment. It is the intent of the Legislature that this information be taken into account when preparing the appropriation recommendations for the Seventy-eighth Legislature.

Sec. 16. **Tuition and Other Educational and General Local Fee Collection.** On or before the end of the 20th class day for each regular semester and the 15th class day for each summer session, each institution of higher education shall collect from each student whose semester credit hours are to be included in formula funding calculations all tuition and all fees in accordance with the installment tuition and fee payment plan provided for by VTCA, Education Code, Chapter 54, as amended. Valid contracts with the United States Government for instruction of eligible military personnel, valid contracts with private business and public service-type organizations or institutions such as hospitals, and financial aid awards processed by the financial aid office but not yet issued to the student may be considered as collections thereunder but subject to adjustments after final payment thereof.

Sec. 17. **Compliance with Access and Equity 2000.** It is the intent of the Legislature that institutions of higher education give top priority and consideration to compliance with the spirit and mandates of the Access and Equity 2000.

Sec. 18. **Formula Variable and Educational and General Income Audits.** The Texas Higher Education Coordinating Board in consultation with the State Auditor's Office and the Legislative Budget Board, shall clearly define all variables used by the Seventy-seventh Legislature in arriving at formula appropriations for 2002 and 2003. According to an audit plan developed in consultation with the Coordinating Board and Legislative Budget Board, all variables of selected formulas used in making 2002 and 2003 formula appropriations are subject to audit by the State Auditor. The State Auditor shall report any differences from data submitted by the institutions to the Coordinating Board, the Legislative Budget Board, and the Governor. The Coordinating Board shall then calculate a new appropriations amount for each institution that reported data in conflict with that verified by the Auditor. These calculations shall then be reported to the Legislative Budget Board, Governor, and the Comptroller of Public Accounts and may be used to revise appropriation authority accordingly. The calculation of revised appropriation amounts shall allow each institution an error rate of up to 2 percent of the biennial appropriations related to the variables audited at that institution.

In addition, components of educational and general income reported in the institutional requests for legislative appropriations for fiscal years 2002 and 2003 are subject to audit by the State Auditor.

The State Auditor may request the assistance of an institution's internal auditor in performing the audits described in this section.

Sec. 19. **System Offices Funding Authorized.** Educational and general funds appropriated to components of The University of Texas, Texas A&M University, University of Houston, Texas Tech University, University of North Texas, Texas State University System and Texas State Technical College Systems may be transferred or contracted to system offices to provide support for coordination, administration, and other related services.

Sec. 20. **License Plate Scholarship Program.** In addition to educational and general funds amounts appropriated by this Act, available balances and the portion of fees deposited in the state treasury during the biennium ending August 31, 2003, to the credit of the general academic institutions as provided by VTCA, Transportation Code § 502.270, is appropriated for that period to the general academic teaching institution for which it was credited for the purpose of providing scholarships for students who demonstrate a need for financial assistance.

Sec. 21. **Annual Reports of Health Related Institutions Practice Plans.** As a limitation and restriction upon appropriations made by this Act, all agencies that have a public health related institution covered under Article III shall not expend funds after a period of 120 days following the close of the fiscal year, unless there has been filed with the Governor, the State Auditor, the

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Legislative Budget Board, the Legislative Reference Library and the Comptroller of Public Accounts an annual report as of August 31 of the preceding fiscal year, showing the use of practice plan funds. The annual report shall conform to a uniform reporting system developed by the State Auditor's Office for all financial data concerning the health related institutions practice plans.

Sec. 22. **Self-insurance Funds.** Any funds of an institution of higher education used for or allocated to a self-insurance fund authorized by VTCA, Government Code § 2259.001 for a risk otherwise insurable by the institution of higher education shall be treated by the Comptroller of Public Accounts as an expenditure of the respective funds. The self-insurance funds so created shall be considered designated funds as that term is used in § 51.008(b) of the Education Code. Any self-insurance fund reserves so created shall not exceed in amount the maximum value determined to be actuarially sound for each such self-insurance program.

Sec. 23. **Elements of Un-sponsored Charity Care.**

1. **Financially Indigent.** Un-sponsored charity care shall include unreimbursed services to the financially indigent. Financially indigent shall mean uninsured or underinsured patients accepted for care with no obligation or a discounted obligation to pay for services rendered based on a teaching hospital's or clinic's formal eligibility system which may include: (a) income levels and means testing or other criteria for determining a patient's inability to pay; or (b) other criteria for determining a patient's inability to pay that are consistent with the hospital's or clinic's mission and established policy. The federal poverty level shall serve as an index for the threshold below which patients receiving care at The University of Texas Southwestern Medical Center at Dallas, The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, The University of Texas M.D. Anderson Cancer Center, The University of Texas Health Center at Tyler, Texas A&M University System Health Science Center, The Texas Tech Health Sciences Center, and The University of North Texas Health Science Center are deemed financially indigent. Financially indigent services include both noncovered services and contractual allowances for patients eligible for the Medicaid program and for the Children with Special Health Care Needs (formerly known as CIDC) program, services provided under the Maternal and Infant Health Improvement Act (MIHIA), services provided under county indigent care contracts (Sec. 26), and services provided under other state or local government programs with eligibility indexed to the federal poverty level.
2. **Medically Indigent.** Un-sponsored charity care shall include unreimbursed services to the medically indigent. Medically indigent shall mean patients who are responsible for their living expenses, but whose medical and hospital bills, after payment by third-party payers, where applicable, exceed: (a) a specified percentage of the patient's annual gross income (i.e., catastrophic medical expenses) in accordance with a teaching hospital or clinic's formal eligibility system in such instances where payment would require liquidation of assets critical to living or earning a living; or (b) the criteria for determining a patient's inability to pay as established by the public health-related institutions listed in Sec. 23, Financially Indigent.
3. **Charity Care Determination.** The determination that a patient is financially or medically indigent shall occur within 120 days of the patient's discharge from the hospital or clinic setting or within 120 days of the third party payor settlement.
4. **Contractual Adjustments.** The contractual adjustments to commercial contracts, managed care contracts, and Medicare for the public health-related institutions listed in Sec. 23, Financially Indigent, shall not be counted as un-sponsored charity care.
5. **Bad Debt.** Bad debts shall not be counted as un-sponsored charity costs. Bad debts shall include the uncollected billed charges for services rendered to patients who do not qualify under the definition of un-sponsored charity care.

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Sec. 24. **Un-sponsored Charity Care Reporting Requirement.** The public health-related institutions listed in Sec. 23, Financially Indigent, shall include in their biennial legislative appropriations request information including the actual amount of un-sponsored charity care provided through each institution's respective physician practice plan, and if applicable, hospital or clinic using the definition of un-sponsored charity care set forth in the section called "Elements of Un-sponsored Charity Care."

Sec. 25. **Patient Income Eligibility Guidelines.** The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall use the federal poverty level indexed at an agreed-upon level as the guideline for determining indigent patient status, and those institutions' eligibility guidelines regarding copayment by patients deemed financially or medically indigent shall be the same.

The University of Texas Southwestern Medical Center at Dallas, The University of Texas Health Science Center at Houston, The University of Texas Health Science Center at San Antonio, Texas A&M University System Health Science Center, The Texas Tech Health Sciences Center, and The University of North Texas Health Science Center may use as a basis for reporting indigent care statistical samples derived from indigent care determinations made by their affiliated teaching hospitals and designed to estimate the amounts of charity care provided using the definitions established by The University of Texas hospitals noted above.

Sec. 26. **County Indigent Care Contracts.**

- 1. **Contracts Required.** It is the intent of the Legislature that all institutions of higher education providing indigent health care contract with relevant counties in their service area to recover the costs associated with treating those counties' indigent patients.
- 2. **County Indigent Care Contracts Reporting.** The University of Texas Medical Branch at Galveston, The University of Texas M.D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall submit to the Legislative Budget Board and the Governor at the end of each fiscal year a list of counties whose indigent residents have been served by each institution; the total amount of reimbursement received by each institution from each county pursuant to the Indigent Health Care and Treatment Act; and the total cost, by county, of services provided by each institution for which counties are liable pursuant to the Indigent Health Care and Treatment Act. In addition, each institution shall report annually to the Legislative Budget Board and Governor on the status of contract agreements or negotiations with each county whose indigent residents have been served by the institution.

Sec. 27. **Family Practice Clerkship Funding.** Each medical school or college shall expend the following amounts for the purpose of providing a clerkship in family practice during the third core clinical year pursuant to VTCA, Education Code § 51.918 (d)(1). Funding for these clerkships may include appropriated funds, institutional funds or restricted grant funds. These amounts may not be used to supplant allocations made for other purposes to family practice departments and affiliated family practice residency programs. The required third year family practice clerkship must have a set curriculum and the student must take an exam during the clerkship.

	<u>FY 2002</u>	<u>FY 2003</u>
The University of Texas Southwestern Medical Center at Dallas School of Medicine	\$764,000	\$764,000
The University of Texas Medical Branch at Galveston School of Medicine	563,624	563,624

**SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)**

The University of Texas Health Science Center at Houston School of Medicine	705,584	705,584
The University of Texas Health Science Center at San Antonio School of Medicine	680,360	680,360
Texas A&M University System Health Science Center	192,400	192,400
University of North Texas Health Science Center	337,620	337,620
Texas Tech University Health Sciences Center School of Medicine	286,302	286,302
Baylor College of Medicine	133,000	133,000

Sec. 28. Ethics Policy.

1. None of the funds appropriated by this Act may be expended by an institution of higher education until its governing board has filed with the Texas Higher Education Coordinating Board an ethics policy which has been adopted by the board of regents. The ethics policy shall apply to the board of regents and its staff, the administration, staff, and faculty of the institutions under the board's governance.
2. The ethics policy adopted by each board of regents shall include specific provisions regarding sexual harassment.

Sec. 29. Driscoll Children's Hospital. No funds appropriated to a health-related institution of higher education shall be used to replace or duplicate the Driscoll Children's Hospital in caring for children with special health-care needs, including pediatric cardiovascular diseases or in assuming the direct care of those children. It is legislative intent that this rider language not restrict the traditional referral patterns, utilized by physicians to refer patients to health-related institutions.

Sec. 30. Participation in Drug Development Research Projects. A public university may not expend funds appropriated by this Act, including appropriations of grants or gifts, to conduct a drug development research protocol involving a person who is receiving mental health services under a protective custody order, pursuant to Chapter 574, Health and Safety Code. This rider is not intended to limit or prohibit provisions for treatment established under § 576.022, Health and Safety Code.

Sec. 31. Post Tenure Review. None of the funds appropriated by this Act may be expended by an institution of higher education until its governing board has filed with the Texas Higher Education Coordinating Board policies and procedures regarding post tenure review which have been adopted by the board of regents. Post tenure policies shall include review procedures to determine that a tenured faculty member is performing consistently at an acceptable, professional level and a mechanism whereby a faculty member is informed of any deficiencies and provided opportunities to effectively improve his or her performance.

Sec. 32. General Academic Funding. Funding for general academic institutions will consist of four formulas and supplemental items.

SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)

1. **Instruction and Operations Formula.** The Instruction and Operations Formula shall provide funding for faculty salaries, including nursing, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support. These funds are distributed on a weighted semester credit hour basis. The rate per weighted semester credit hour for the 2002–03 biennium is \$56.65.

Weighting is determined by the following matrix:

	Lower Division	Upper Division	Masters	Doctoral	Special Professional
Liberal Arts	1.00	1.96	3.94	12.04	
Science	1.53	3.00	7.17	19.29	
Fine Arts	1.85	3.11	6.51	17.47	
Teacher Ed	1.28	1.96	3.23	9.95	
Agriculture	2.05	2.54	6.64	16.37	
Engineering	3.01	3.46	8.20	21.40	
Home Economics	1.58	2.12	4.34	10.79	
Law					3.22
Social Services	1.64	1.84	5.80	11.92	
Library Science	1.45	1.52	4.22	12.26	
Vocational Training	1.45	2.59			
Physical Training	1.36	1.36			
Health Services	2.87	3.46	6.47	15.98	
Pharmacy	4.00	4.64	9.00	19.11	9.00
Business Admin	1.41	1.59	4.59	13.91	
Optometry			5.46	19.12	7.00
Teacher Ed Practice	2.43	2.57			
Technology	1.99	2.56	6.61		
Nursing	4.91	5.32	6.49	16.32	
Developmental Ed	1.00				

2. **Teaching Experience Supplement.** For the 2002–03 biennium, an additional weight of ten percent is added to lower division and upper division semester credit hours taught by tenured and tenure-track faculty. Furthermore, it is the intent of the Legislature that the weight shall increase by 10 percent per biennium, up to 50 percent.

**SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)**

3. **Infrastructure Support.** Funding associated with plant-related formulas and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for universities' educational and general activities produced by the Space Projection Model developed by the Coordinating Board. The portion of the formula related to utilities is adjusted to reflect differences in unit costs for purchased utilities, including electricity, natural gas, water and wastewater and thermal energy. The average rate per square foot is \$7.36.
4. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, 50 percent of indirect research costs recovered on grants, organized activities, scholarships, tuition revenue bond payments, Skiles Act bond payments, and facility lease charges. Institutions may receive an appropriation for special items. Revenue derived from board authorized tuition would still be appropriated to the institutions levying the additional charges.

These formulas and supplemental items shall be reviewed and updated by study committees appointed by the Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor's Office of Budget and Planning by June 1, 2002.

Sec. 33. **Health Related Institutions Funding.** Funding for health related institutions shall consist of three formulas plus supplemental non-formula items.

1. **Instruction and Operations Support Formula.** The Instruction and Operations Support Formula shall provide funding on a per student or full time equivalent basis. Funding for each instructional program is based on the following funding weights per student, with a base value per weighted student of \$11,776:

<u>Program</u>	<u>Weight Per Student</u>
Allied Health	1.000
Biomedical Science	1.018
Nursing	1.138
Pharmacy	1.670
Public Health	1.721
Dental	4.601
Medical	4.753

Instructional programs with enrollments of less than 200 students at individual campuses shall receive additional funding to compensate for the diseconomies of scale. The minimum formula shall generate additional funding per student, on a sliding scale, with programs with small enrollments receiving more additional funding per student.

2. **Infrastructure Support Formula.** Funding to the health-related institutions for plant support and utilities shall be distributed by the infrastructure support formula which is driven by the predicted square feet for the health related institutions produced by the Space Projection Model developed by the Texas Higher Education Coordinating Board. The rate per square foot is \$11.54 for all health related institutions, excluding The University of Texas M. D. Anderson Cancer Center and The University of Texas Health Center at Tyler. For these two institutions, the per square foot rate is \$11.51.

Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at The University of Texas Medical Branch at Galveston, The University of Texas M. D. Anderson Cancer Center, and The University of Texas Health Center at Tyler shall be included in the total funding for hospital and patient care activities.

**SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)**

3. **Research Funding.** The health-related institutions shall retain 100 percent of indirect research costs recovered on grants. Each institution also receives research enhancement funding of \$1,412,500 plus 2.50 percent of its research expenditures as reported to the Texas Higher Education Coordinating Board.
4. **Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance, workers' compensation insurance, unemployment insurance, public education grants, medical loans, tuition revenue bond payments, and facility lease charges. Institutions may receive an appropriation for special items. Hospital and clinic operations shall be funded through a combination of hospital and clinic revenue and general revenue.
5. **Formula Study Committees.** These formulas shall be reviewed and updated by study committees appointed by the Texas Higher Education Coordinating Board and recommended changes forwarded to the Legislature, Legislative Budget Board, and Governor's Office by June 1, 2002.
6. **Mission Specific Support.** The University of Texas M.D. Anderson Cancer Center and the University of Texas Health Center at Tyler do not provide formal medical education which qualifies for instruction support under subsection 1 above. Therefore, funding allocated to these institutions shall be based on the following criteria:
 - a. The University of Texas M.D. Anderson Cancer Center has a statutory mission to eliminate cancer through patient care, research, education, and prevention. General Revenue funds appropriated to The University of Texas M.D. Anderson Cancer Center in Strategy B.1.3, Science Park Operations, and Strategy D.1.1, Patient Care Activities, shall be based on the number of new cancer cases each year based upon population estimate projections of the state produced by the Texas State Data Center and California State Center Registry incidence rates used as a methodological source by cancer epidemiologists in Texas and throughout the country. General Revenue appropriations for fiscal year 2002 shall be based on the number of new cancer cases reported in 1999, and General Revenue appropriations for fiscal year 2003 shall be based on the number of new cancer cases reported in 2000. The rate per new cancer case shall be \$70.55 in fiscal year 2002 and \$68.97 in fiscal year 2003 for Strategy B.1.3, Science Park Operations; and \$318.94 in fiscal year 2002 and \$311.96 in fiscal year 2003 for Strategy D.1.1, Patient Care Activities.
 - b. The University of Texas Health Center at Tyler has a statutory mission to conduct research, develop diagnostic and treatment techniques, provide training and teaching programs, and provide diagnosis and treatment of inpatients and outpatients with respiratory diseases. General Revenue funds appropriated to The University of Texas Health Center at Tyler in Strategy A.1.1, Medical Education and Research Items, shall be based on the number of new primary chest disease diagnoses each year in Texas as reported by participating Texas hospitals in the Texas Hospital Association Patient Data System program. General Revenue appropriations for fiscal year 2002 shall be based on the number of new primary chest disease diagnoses reported in 1998, and General Revenue appropriations for fiscal year 2003 shall be based on the number of new primary chest disease diagnoses reported in 1999. The rate per primary chest diagnosis shall be \$4.65 for fiscal year 2002 and \$4.34 for fiscal year 2003.
 - c. The University of Texas M.D. Anderson Cancer Center and The University of Texas Health Center at Tyler shall submit to the Legislative Budget Board, Governor's Office, and Texas Higher Education Coordinating Board a copy of the appropriate reports discussed above and supporting documentation which provides the necessary information to calculate the formula allocations in subsections (a) and (b) above.

**SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)**

Sec. 34. **Optional Retirement Program Differential.** Included in the appropriation to institutions of higher education in this act are general revenue amounts to offset local funds used for the optional retirement program employer contributions between 6 percent and 7.31 percent of salaries for employees who were on the state payroll or who were employed by a Public Community or Junior College as of August 31, 1995. These general revenue amounts are included in the funding formulas for general academic institutions and two-year institutions and in the base funding for other institutions of higher education.

Sec. 35. **Indirect Cost Recovery Earned by Texas A&M Services.** The Texas A&M University System Service agencies shall report to the Legislative Budget Board in their Legislative Appropriations Requests for 2004–2005 all indirect cost recovery revenue earned on research grants and contracts including amounts collected by the Research Foundation.

Sec. 36. **Fire Safety Projects at Institutions of Higher Education.** Because of the urgent nature of these projects, it is the intent of the Legislature that institutions of higher education that have major fire safety projects, identified by the State Fire Marshall's Office as not meeting the requirements of the National Fire Protection Association, *Life Safety Code*, 1994 Edition, remedy the fire safety issues and complete any related construction and renovation projects as soon as practical. Institutions shall consult with the State Fire Marshall's Office and develop a time line for completion of the projects. Institutions shall implement the interim safety precautions recommended by the State Fire Marshall's Office. The State Fire Marshall shall submit periodic reports to the House Appropriations Committee and Senate Finance Committee on the progress of institutions in remedying the fire safety issues.

Institutions of higher education shall notify parents of students living in dormitories identified by the State Fire Marshall's Office. The notice shall contain information about the actions needed to rectify noncompliance and the time frame in which the institution plans to make improvements in order to comply.

Sec. 37. **Gerontology Education.** It is the intent of the Legislature that institutions of higher education that have education or research programs on gerontology and the Department on Aging or other appropriate agencies collaborate to build partnerships with appropriate service providers, government agencies and businesses. It is the intent of the Legislature that institutions review current curricula for education programs that prepare health and human services professionals that serve adults to include both course work and clinical experiences that deal with problems in aging. Institutions of higher education should establish processes for receiving advice from experts in the field of aging on issues related to program development and evolution, curriculum quality, and supply and demand for graduates.

Sec. 38. **Developmental Education Performance Fund.** For institutions participating in the General Academic Developmental Education Accountability Pilot Program, funds appropriated in this article for developmental education shall be expended only for those costs associated with the operation of the developmental education program and a reasonable amount of indirect administration. The amounts shall be accounted for separately from other funds to ensure that the use of funds can be readily tracked for financial reporting and auditing purposes. Institutions may expend additional amounts for the purposes of developmental education.

Sec. 39. **Community and Technical College Developmental Education Funds.** For community and technical colleges participating in the Community and Technical College Developmental Education Accountability Pilot Program, funds appropriated in this article for developmental education shall be expended only for those costs associated with the operation of the developmental education program and a reasonable amount of indirect administration. The amounts shall be accounted for separately from other funds to ensure that the use of funds can be readily tracked for financial reporting and auditing purposes. Institutions may expend additional amounts for the purposes of developmental education.

**SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)**

Sec. 40. **Special Items.** It is the intent of the Legislature that actions taken to consolidate certain special items under the Institutional Enhancement strategy shall not in any way be construed to preclude actions to add special item funding for a statewide or broadly based initiative identified by the Legislature to address significant unmet needs.

Sec. 41. **Funding for Physical Education Courses.** No funds appropriated under this act shall be used for contact hours or semester credit hours for students who are registered solely for physical education, weight lifting, group exercises, aerobics, or related courses; have registered for the same such course more than once; and are not seeking a degree plan or certificate of completion of a course of study.

Sec. 42. **Faculty Salary Increase Report.** Each general academic institution shall report the average salary increase provided to faculty at the institution to the Legislative Budget Board and Governor's Office by January 31 of each fiscal year on a form prescribed by the Texas Higher Education Coordinating Board.

Sec. 43. **Endowed Chairs.** Out of funds appropriated to the Texas Higher Education Coordinating Board for Baylor College of Medicine, Houston; University of Texas Health Science Center at Houston; University of Texas Medical Branch at Galveston, each may expend up to \$1,000,000 out of funds appropriated in this Act to fund one endowed chair or professorship for spinal cord injury research. It is the intent of the Legislature that each institution pursue an equal amount of matching funds from the Institute of Rehabilitation and Research for each institution.

Sec. 44. **Status of Endowed Chairs at General Academic Institutions.** Each general academic institution that accepts donations for endowed chairs shall do the following:

- a. For each endowed chair that remains unfilled for a period of three consecutive years, the institution shall provide a report to the donor disclosing the vacant status of the chair.
- b. Beginning with the annual performance measure report for fiscal year 2002, report the average length of time in months endowed chairs have remained unfilled and the percent of endowed chairs unfilled within the fiscal year being reported.

The Legislative Budget Board, in consultation with representatives from institutions, the Texas Higher Education Coordinating Board, the Governor's Office, and the State Auditor's Office, shall develop a standard definition for these measures.

Sec. 45. **A&M Service Agencies' Infrastructure.** Funds identified as Infrastructure Support for Texas Agricultural Experiment Station, Texas Agricultural Extension Service, Texas Forest Service, Texas Veterinary Medical Diagnostic Laboratory, Texas Engineering Experiment Station, Texas Transportation Institute, and Texas Engineering Extension Service are to be applied to each agency's infrastructure needs in Brazos County under the Texas Higher Education Coordinating Board's recommended formula for the A&M service agencies' infrastructure. Each agency shall continue to work with the Texas Higher Education Coordinating Board as part of the ongoing formula advisory committee review process. Included in the Infrastructure Support strategy are funds formerly classified as Capital Equity and Excellence Funding.

**SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)**

Sec. 46. **Inventory Performance Measure.** The general academic and health-related institutions shall report the following new performance measures beginning with the annual performance report for fiscal year 2002:

- a. Lost or stolen property reported to the Comptroller of Public Accounts as a percent of the total value of inventory.
- b. The total dollar value of inventoried property lost or stolen.

The Legislative Budget Board, in consultation with representatives from institutions, the Comptroller's Office, the Governor's Office, and the State Auditor's Office, shall develop a standard definition for these measures.

Sec. 47. **Donations for Scholarships.** For the first five years after receiving a donation which creates or endows a scholarship, a state university that fails to award a scholarship created or endowed by a donor shall annually notify the donor and the Higher Education Coordinating Board of that failure and shall cause notice of that failure to be published in the Texas Register. In the event that the aggregate amount of such scholarships which have not been awarded reaches \$250,000, the university shall also notify the Legislative Budget Board.

Sec. 48. **Endowed Programs.** A state university that, within five years of receiving a donation, diminishes its financial support from local funds for a program created or endowed by the donor, shall notify the donor, the Higher Education Coordinating Board and the Legislative Budget Board and shall cause that action to be published in the Texas Register. Upon application by the donor, the university shall return the donation or endowment.

Sec. 49. **Program Enhancement for the A&M Service Agencies.** Funds identified as Program Enhancement for Texas Agricultural Experiment Station, Texas Agricultural Extension Service, Texas Forest Service, Texas Veterinary Medical Diagnostic Laboratory, Texas Wildlife Damage Management Service, Texas Engineering Experiment Station, Texas Transportation Institute and Texas Engineering Extension Service are to be used to improve operational capacity. Each agency is directed to provide the Legislative Budget Board and the Governor's Office of Budget and Planning with a report by October 1 of each year detailing measures taken to improve operational and programmatic efficiency.

Sec. 50. **Capital Equity and Excellence Hold Harmless.** It is the intent of the Legislature that funding provided for general academic institutions for Capital Equity and Excellence Hold Harmless not be continued after the 2002–03 biennium.

Sec. 51. **Contingency Appropriation for Two-year Institutions of Higher Education.** After and contingent upon the Comptroller providing notice to the Legislative Budget Board regarding a finding of fact by the Comptroller of Public Accounts (at the time of certification or after certification of this Act) that sufficient revenue is estimated to be available from the General Revenue Fund, and following approval by the Legislative Budget Board, there is hereby appropriated to the Comptroller of Public Accounts, the amount of \$10,000,000 in general revenue funds to finance an increase in the contact hour funding formula for two-year higher education institutions, including the Public Community/Junior Colleges, Texas State Technical College components, and the Lamar State Colleges. Allocation of such amounts as available shall be made as approved by the Legislative Budget Board.

- * Sec. 52. **Utility Funding Increase for Public Higher Education Institutions.** Contingent upon a finding of fact by the Comptroller of Public Accounts at the time of certification of this Act, or after certification of this Act, that sufficient revenue is estimated to be available from the General Revenue Fund, and following approval by the Legislative Budget Board, there is hereby appropriated to the Comptroller of Public Accounts \$19,515,970 per fiscal year, or such amounts as may be available for

*See Veto Proclamation.

**SPECIAL PROVISIONS RELATING ONLY TO STATE AGENCIES
OF HIGHER EDUCATION
(Continued)**

the purpose of funding increased utility costs at public institutions of higher education. Distribution of any amounts authorized shall be based on the Texas Higher Education Coordinating Board's infrastructure funding formula.

Sec. 53. **Housing Pilot Program.** As part of the review mandated in Section 49 (Formula Funding Study) the Higher Education Coordinating Board shall provide for a pilot program at the smallest public university within the Texas State University System in a county along the Texas/Mexico border. Notwithstanding the limitations elsewhere in this Act, the Legislature expressly finds that there is a demonstrated need to provide funding for improving student housing at a small university in this state in order to study the effect of formula funding on small institutions. The pilot program shall allow such university to use education and general funds for the limited purpose of providing student housing. The pilot program shall study the amount of revenue necessary at small universities to bond or otherwise pay for student housing in the event the limitations in Section 6, Subsection 8 (Appropriations Expenditure Authorization) or similar legislation remain in place. The board and the university shall report the results of the pilot program to the Legislative Budget Board no later than January 2, 2003.

Sec. 54. **Student Travel Policy.** Each governing board of an institution of higher-education shall adopt a policy regulating travel that is undertaken by one or more students presently enrolled at the institution to reach an activity or event that is located more than 25 miles from the institution that is organized and sponsored by the institution and that is funded by the institution, and the travel is undertaken using a vehicle owned or leased by the institution or required by a student organization registered at the institution.

Sec. 55 **Special Item Support.** Any appropriations made to special item support strategies throughout this article are intended to supplement existing programs and may not be used to supplant funds.

**RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue)**

	For the Years Ending	
	August 31,	August 31,
	<u>2002</u>	<u>2003</u>
Texas Education Agency	\$ 11,667,175,277	\$ 11,436,676,341
Contingency Appropriations	<u>592,068</u>	<u>0</u>
Total	11,667,767,345	11,436,676,341
State Board for Educator Certification	12,282,006	11,840,416
Rider Appropriations	<u>1,650,000</u>	<u>0</u>
Total	13,932,006	11,840,416
School for the Blind and Visually Impaired	12,698,184	12,049,448
School for the Deaf	15,593,180	15,841,700
Teacher Retirement System	1,560,736,496	1,492,938,294
Optional Retirement Program	94,802,675	99,542,809
Higher Education Employees Group Insurance Contributions	429,046,657	482,334,255
Higher Education Coordinating Board	402,264,792	341,462,638
Rider Appropriations	2,335,000	0
Contingency Appropriations	<u>5,500,000</u>	<u>5,000,000</u>
Total	410,099,792	346,462,638
Higher Education Fund	224,365,000	224,365,000
The University of Texas System Administration	8,115,391	8,115,392
The University of Texas at Arlington	81,448,396	80,568,421
The University of Texas at Austin	239,608,001	238,186,802
The University of Texas at Dallas	52,239,352	51,776,484
Rider Appropriations	<u>68,000</u>	<u>0</u>
Total	52,307,352	51,776,484
The University of Texas at El Paso	58,626,407	58,270,737
The University of Texas - Pan American	46,722,386	47,352,920
The University of Texas at Brownsville	17,077,485	17,336,988
The University of Texas of the Permian Basin	13,697,310	13,548,171
The University of Texas at San Antonio	66,971,445	66,405,033
The University of Texas at Tyler	21,562,566	20,866,694
Texas A&M University System Administrative and General Offices	3,109,467	609,467
Texas A&M University	206,744,183	206,843,731
Texas A&M University at Galveston	10,750,981	10,781,039
Prairie View A&M University	41,732,437	42,125,345
Tarleton State University	27,710,839	27,798,803
Texas A&M University - Corpus Christi	38,313,001	38,668,864
Texas A&M University - Kingsville	32,307,340	31,031,802
Texas A&M International University	30,169,186	30,273,839
West Texas A&M University	25,747,619	26,122,339
Texas A&M University - Commerce	29,227,725	29,913,432
Texas A&M University - Texarkana	8,406,870	8,499,013
University of Houston System Administration	2,538,729	2,538,730
University of Houston	128,458,393	129,117,622
University of Houston - Clear Lake	26,465,330	26,596,001
University of Houston - Downtown	20,584,406	20,800,235
University of Houston - Victoria	10,110,078	10,230,933

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue)
(Continued)

Midwestern State University	17,545,197	17,714,674
University of North Texas System Administration	100,000	100,000
University of North Texas	91,966,237	93,837,308
Stephen F. Austin State University	39,059,318	39,721,515
Texas Southern University	44,019,397	44,561,452
Texas Tech University System Administration	500,000	500,000
Texas Tech University	107,970,101	108,780,101
Texas Woman's University	46,731,432	47,380,127
Board of Regents, Texas State University System		
Central Office	1,337,513	1,337,512
Angelo State University	24,579,084	24,991,665
Lamar University	29,628,764	30,188,031
Lamar Institute of Technology	8,699,684	8,679,724
Lamar State College - Orange	6,188,265	6,192,694
Lamar State College - Port Arthur	8,794,372	8,797,033
Sam Houston State University	37,359,988	37,746,518
Southwest Texas State University	66,842,042	67,695,945
Sul Ross State University	14,799,801	14,955,500
Sul Ross State University Rio Grande College	5,414,400	5,439,479
The University of Texas Southwestern Medical Center at Dallas	94,858,157	94,597,227
The University of Texas Medical Branch at Galveston	221,985,955	221,679,659
The University of Texas Health Science Center at Houston	124,729,579	124,368,217
The University of Texas Health Science Center at San Antonio	117,425,448	116,667,712
The University of Texas M.D. Anderson Cancer Center	136,916,658	136,924,278
The University of Texas Health Center at Tyler	32,373,133	32,386,724
Texas A&M University System Health Science Center	56,892,221	55,352,201
University of North Texas Health Science Center at Fort Worth	41,830,524	41,836,349
Texas Tech University Health Sciences Center	87,365,123	86,987,769
Public Community/Junior Colleges	790,127,852	789,277,142
Texas State Technical College System		
Administration	2,230,138	2,230,138
Texas State Technical College - Harlingen	16,594,117	16,588,551
Texas State Technical College - West Texas	11,269,356	11,265,856
Texas State Technical College - Marshall	4,016,258	4,015,477
Texas State Technical College - Waco	26,909,363	26,902,048
Texas Agricultural Experiment Station	54,435,592	54,435,592
Rider Appropriations	<u>140,000</u>	<u>0</u>
Total	54,575,592	54,435,592
Texas Agricultural Extension Service	41,591,239	42,179,537
Texas Engineering Experiment Station	12,429,217	12,429,217
Texas Transportation Institute	4,688,204	4,688,204
Texas Engineering Extension Service	6,421,867	6,421,868
Texas Forest Service	16,058,802	15,308,802
Texas Wildlife Damage Management Service	3,583,569	3,371,544
Texas Veterinary Medical Diagnostic Laboratory	5,831,508	4,431,507
Texas Food and Fibers Commission	<u>1,550,294</u>	<u>1,525,293</u>
Subtotal, Agencies of Education	<u>\$ 18,141,344,427</u>	<u>\$ 17,830,919,928</u>

RECAPITULATION - ARTICLE III
 AGENCIES OF EDUCATION
 (General Revenue)
 (Continued)

Retirement and Group Insurance	21,673,369	23,940,918
Social Security and Benefit Replacement Pay	<u>166,442,351</u>	<u>173,755,900</u>
Subtotal, Employee Benefits	<u>\$ 188,115,720</u>	<u>\$ 197,696,818</u>
Bond Debt Service Payments	141,700	1,128,900
Lease Payments	<u>8,116,814</u>	<u>8,094,542</u>
Subtotal, Debt Service	<u>\$ 8,258,514</u>	<u>\$ 9,223,442</u>
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	<u><u>\$ 18,337,718,661</u></u>	<u><u>\$ 18,037,840,188</u></u>

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue - Dedicated)

	For the Years Ending	
	August 31, 2002	August 31, 2003
Texas Education Agency	\$ 5,325	\$ 5,325
Teacher Retirement System	46,587,484	50,314,483
Optional Retirement Program	11,240,586	11,802,615
Higher Education Coordinating Board	1,473,158	1,473,158
Rider Appropriations	<u>16,000</u>	<u>0</u>
Total	1,489,158	1,473,158
The University of Texas at Arlington	27,981,222	28,032,354
The University of Texas at Austin	114,977,488	115,152,329
The University of Texas at Dallas	22,031,052	22,092,709
The University of Texas at El Paso	19,069,351	19,079,394
The University of Texas - Pan American	13,565,702	13,570,269
The University of Texas at Brownsville	3,076,998	3,078,553
The University of Texas of the Permian Basin	2,318,654	2,319,508
The University of Texas at San Antonio	21,159,103	21,173,752
The University of Texas at Tyler	3,165,203	3,166,138
Texas A&M University System Administrative and General Offices, Rider Appropriations	2,037,000	1,505,000
Texas A&M University	77,080,867	77,206,996
Texas A&M University at Galveston	2,870,536	2,878,002
Prairie View A&M University	11,296,936	11,323,965
Tarleton State University	8,645,078	8,647,704
Texas A&M University - Corpus Christi	7,094,095	7,098,725
Texas A&M University - Kingsville	8,701,669	8,707,012
Texas A&M International University	3,110,380	3,115,152
West Texas A&M University	7,648,928	7,659,977
Texas A&M University - Commerce	8,486,595	8,491,851
Texas A&M University - Texarkana	1,052,702	1,055,042
University of Houston	53,485,349	53,601,206
University of Houston - Clear Lake	9,655,567	9,675,436
University of Houston - Downtown	9,221,870	9,240,297
University of Houston - Victoria	1,436,020	1,436,971
Midwestern State University	6,427,752	6,434,176
Rider Appropriations	<u>10,000</u>	<u>3,000</u>
Total	6,437,752	6,437,176
University of North Texas	35,167,427	35,219,127
Stephen F. Austin State University	13,237,193	13,239,717
Rider Appropriations	<u>2,000</u>	<u>0</u>
Total	13,239,193	13,239,717
Texas Southern University	12,660,256	12,681,137

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue - Dedicated)
(Continued)

Texas Tech University	38,589,446	38,626,664
Rider Appropriations	<u>219,000</u>	<u>20,000</u>
Total	38,808,446	38,646,664
Texas Woman’s University	9,987,440	9,999,162
Board of Regents, Texas State University System		
Central Office, Rider Appropriations	120,000	120,000
Angelo State University	6,974,166	6,975,280
Lamar University	8,943,012	8,950,926
Lamar Institute of Technology	1,979,485	1,980,747
Lamar State College - Orange	1,507,982	1,509,103
Lamar State College - Port Arthur	1,847,428	1,848,514
Sam Houston State University	17,504,343	17,619,459
Southwest Texas State University	25,474,228	25,489,794
Sul Ross State University	2,367,638	2,368,947
Sul Ross State University Rio Grande College	693,539	693,764
The University of Texas Southwestern Medical		
Center at Dallas	44,348,175	46,628,967
The University of Texas Medical Branch at		
Galveston	23,186,383	23,186,383
The University of Texas Health Science Center		
at Houston	28,618,045	29,565,473
The University of Texas Health Science Center		
at San Antonio	20,060,248	20,060,248
The University of Texas M.D. Anderson Cancer		
Center	53,176,623	56,232,184
The University of Texas Health Center at Tyler	785,675	793,309
Texas A&M University System Health Science		
Center	4,850,320	4,850,201
University of North Texas Health Science Center		
at Fort Worth	4,752,683	4,877,683
Texas Tech University Health Sciences Center	5,092,550	4,990,247
Texas State Technical College System		
Administration	284,263	284,224
Texas State Technical College - Harlingen	3,844,653	3,844,653
Texas State Technical College - West Texas	2,024,951	2,022,951
Texas State Technical College - Marshall	721,575	721,575
Texas State Technical College - Waco	4,666,474	4,666,474
Texas Agricultural Experiment Station	875,000	875,000
Rider Appropriations	<u>10,000</u>	<u>0</u>
Total	885,000	875,000
Texas Agricultural Extension Service	100,000	100,000
Rider Appropriations	<u>10,000</u>	<u>0</u>
Total	110,000	100,000

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(General Revenue - Dedicated)
(Continued)

Texas Engineering Experiment Station	3,618,921	3,618,921
Texas Transportation Institute	1,400,345	1,414,348
Texas Engineering Extension Service	<u>1,880,013</u>	<u>1,880,013</u>
Subtotal, Agencies of Education	<u>\$ 886,510,150</u>	<u>\$ 897,296,294</u>
Social Security and Benefit Replacement Pay	<u>30,405,743</u>	<u>31,774,001</u>
Subtotal, Employee Benefits	<u>\$ 30,405,743</u>	<u>\$ 31,774,001</u>
Article III, Special Provisions, Rider Appropriations	967,000	0
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	<u><u>\$ 917,882,893</u></u>	<u><u>\$ 929,070,295</u></u>

**RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(Federal Funds)**

	For the Years Ending	
	August 31,	August 31,
	<u>2002</u>	<u>2003</u>
Texas Education Agency	\$ 2,666,505,272	\$ 2,728,919,938
State Board for Educator Certification	2,977,242	0
School for the Blind and Visually Impaired	2,098,921	2,098,921
School for the Deaf	788,048	767,048
Higher Education Coordinating Board	52,150,478	52,150,478
Texas Agricultural Experiment Station	6,455,093	6,455,093
Texas Agricultural Extension Service	10,005,523	10,005,523
Texas Engineering Experiment Station	28,406,843	28,406,843
Texas Transportation Institute	3,145,717	3,145,717
Texas Engineering Extension Service	9,675,335	9,675,336
Texas Forest Service	3,258,191	3,258,191
Texas Food and Fibers Commission	<u>180,308</u>	<u>181,412</u>
Subtotal, Agencies of Education	<u>\$ 2,785,646,971</u>	<u>\$ 2,845,064,500</u>
Retirement and Group Insurance	1,285,725	1,298,515
Social Security and Benefit Replacement Pay	<u>1,238,996</u>	<u>1,206,188</u>
Subtotal, Employee Benefits	<u>\$ 2,524,721</u>	<u>\$ 2,504,703</u>
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	<u><u>\$ 2,788,171,692</u></u>	<u><u>\$ 2,847,569,203</u></u>

**RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(Other Funds)**

	For the Years Ending	
	August 31, 2002	August 31, 2003
Texas Education Agency	\$ 731,938,600	\$ 812,938,600
State Board for Educator Certification	643,100	0
School for the Blind and Visually Impaired	1,301,477	6,435,477
School for the Deaf	9,473,811	2,388,811
Telecommunications Infrastructure Fund Board	200,000,000	200,000,000
Teacher Retirement System	36,428,000	36,828,000
Contingency Appropriations	<u>22,000,000</u>	<u>0</u>
Total	58,428,000	36,828,000
Higher Education Coordinating Board	13,893,760	13,458,510
Available University Fund	351,888,346	373,993,219
Texas A&M University	2,113,000	2,113,000
The University of Texas Medical Branch at Galveston	222,895,182	222,895,182
The University of Texas Health Science Center at Houston	2,355,805	2,362,435
The University of Texas Health Science Center at San Antonio	692,157	692,156
The University of Texas M.D. Anderson Cancer Center	672,838,857	746,162,617
The University of Texas Health Center at Tyler	38,991,763	39,367,290
Texas A&M University System Health Science Center	2,987,496	2,985,181
Texas Agricultural Experiment Station	4,830,020	4,830,020
Texas Agricultural Extension Service	7,729,091	7,729,091
Texas Engineering Experiment Station	17,855,928	17,855,928
Texas Transportation Institute	19,732,074	19,971,337
Texas Engineering Extension Service	27,198,023	27,198,023
Texas Forest Service	2,804,085	2,804,085
Texas Veterinary Medical Diagnostic Laboratory	5,123,234	5,123,235
Texas Food and Fibers Commission	<u>3,340,834</u>	<u>3,436,784</u>
Subtotal, Agencies of Education	<u>\$ 2,399,054,643</u>	<u>\$ 2,551,568,981</u>
Retirement and Group Insurance	125,663	135,991
Social Security and Benefit Replacement Pay	<u>5,389,580</u>	<u>5,571,459</u>
Subtotal, Employee Benefits	<u>\$ 5,515,243</u>	<u>\$ 5,707,450</u>
Less Interagency Contracts	<u>\$ 79,465,529</u>	<u>\$ 59,735,773</u>
TOTAL, ARTICLE III - AGENCIES OF EDUCATION	<u><u>\$ 2,325,104,357</u></u>	<u><u>\$ 2,497,540,658</u></u>

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(All Funds)

	For the Years Ending	
	August 31, 2002	August 31, 2003
Texas Education Agency	\$ 15,065,624,474	\$ 14,978,540,204
Contingency Appropriations	<u>592,068</u>	<u>0</u>
Total	15,066,216,542	14,978,540,204
State Board for Educator Certification	15,902,348	11,840,416
Rider Appropriations	<u>1,650,000</u>	<u>0</u>
Total	17,552,348	11,840,416
School for the Blind and Visually Impaired	16,098,582	20,583,846
School for the Deaf	25,855,039	18,997,559
Telecommunications Infrastructure Fund Board	200,000,000	200,000,000
Teacher Retirement System	1,643,751,980	1,580,080,777
Contingency Appropriations	<u>22,000,000</u>	<u>0</u>
Total	1,665,751,980	1,580,080,777
Optional Retirement Program	106,043,261	111,345,424
Higher Education Employees Group Insurance Contributions	429,046,657	482,334,255
Higher Education Coordinating Board	469,782,188	408,544,784
Rider Appropriations	2,351,000	0
Contingency Appropriations	<u>5,500,000</u>	<u>5,000,000</u>
Total	477,633,188	413,544,784
Higher Education Fund	224,365,000	224,365,000
The University of Texas System Administration	8,115,391	8,115,392
Available University Fund	351,888,346	373,993,219
The University of Texas at Arlington	109,429,618	108,600,775
The University of Texas at Austin	354,585,489	353,339,131
The University of Texas at Dallas	74,270,404	73,869,193
Rider Appropriations	<u>68,000</u>	<u>0</u>
Total	74,338,404	73,869,193
The University of Texas at El Paso	77,695,758	77,350,131
The University of Texas - Pan American	60,288,088	60,923,189
The University of Texas at Brownsville	20,154,483	20,415,541
The University of Texas of the Permian Basin	16,015,964	15,867,679
The University of Texas at San Antonio	88,130,548	87,578,785
The University of Texas at Tyler	24,727,769	24,032,832
Texas A&M University System Administrative and General Offices	3,109,467	609,467
Rider Appropriations	<u>2,037,000</u>	<u>1,505,000</u>
Total	5,146,467	2,114,467
Texas A&M University	285,938,050	286,163,727
Texas A&M University at Galveston	13,621,517	13,659,041
Prairie View A&M University	53,029,373	53,449,310
Tarleton State University	36,355,917	36,446,507
Texas A&M University - Corpus Christi	45,407,096	45,767,589
Texas A&M University - Kingsville	41,009,009	39,738,814

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(All Funds)
(Continued)

Texas A&M International University	33,279,566	33,388,991
West Texas A&M University	33,396,547	33,782,316
Texas A&M University - Commerce	37,714,320	38,405,283
Texas A&M University - Texarkana	9,459,572	9,554,055
University of Houston System Administration	2,538,729	2,538,730
University of Houston	181,943,742	182,718,828
University of Houston - Clear Lake	36,120,897	36,271,437
University of Houston - Downtown	29,806,276	30,040,532
University of Houston - Victoria	11,546,098	11,667,904
Midwestern State University	23,972,949	24,148,850
Rider Appropriations	<u>10,000</u>	<u>3,000</u>
Total	23,982,949	24,151,850
University of North Texas System Administration	100,000	100,000
University of North Texas	127,133,664	129,056,435
Stephen F. Austin State University	52,296,511	52,961,232
Rider Appropriations	<u>2,000</u>	<u>0</u>
Total	52,298,511	52,961,232
Texas Southern University	56,679,653	57,242,589
Texas Tech University System Administration	500,000	500,000
Texas Tech University	146,559,547	147,406,765
Rider Appropriations	<u>219,000</u>	<u>20,000</u>
Total	146,778,547	147,426,765
Texas Woman's University	56,718,872	57,379,289
Board of Regents, Texas State University System		
Central Office	1,337,513	1,337,512
Rider Appropriations	<u>120,000</u>	<u>120,000</u>
Total	1,457,513	1,457,512
Angelo State University	31,553,250	31,966,945
Lamar University	38,571,776	39,138,957
Lamar Institute of Technology	10,679,169	10,660,471
Lamar State College - Orange	7,696,247	7,701,797
Lamar State College - Port Arthur	10,641,800	10,645,547
Sam Houston State University	54,864,331	55,365,977
Southwest Texas State University	92,316,270	93,185,739
Sul Ross State University	17,167,439	17,324,447
Sul Ross State University Rio Grande College	6,107,939	6,133,243
The University of Texas Southwestern Medical Center at Dallas	139,206,332	141,226,194
The University of Texas Medical Branch at Galveston	468,067,520	467,761,224
The University of Texas Health Science Center at Houston	155,703,429	156,296,125
The University of Texas Health Science Center at San Antonio	138,177,853	137,420,116
The University of Texas M.D. Anderson Cancer Center	862,932,138	939,319,079
The University of Texas Health Center at Tyler	72,150,571	72,547,323
Texas A&M University System Health Science Center	64,730,037	63,187,583

RECAPITULATION - ARTICLE III
AGENCIES OF EDUCATION
(All Funds)
(Continued)

University of North Texas Health Science Center at Fort Worth	46,583,207	46,714,032
Texas Tech University Health Sciences Center	92,457,673	91,978,016
Public Community/Junior Colleges	790,127,852	789,277,142
Texas State Technical College System Administration	2,514,401	2,514,362
Texas State Technical College - Harlingen	20,438,770	20,433,204
Texas State Technical College - West Texas	13,294,307	13,288,807
Texas State Technical College - Marshall	4,737,833	4,737,052
Texas State Technical College - Waco	31,575,837	31,568,522
 Texas Agricultural Experiment Station	 66,595,705	 66,595,705
Rider Appropriations	<u>150,000</u>	<u>0</u>
Total	66,745,705	66,595,705
 Texas Agricultural Extension Service	 59,425,853	 60,014,151
Rider Appropriations	<u>10,000</u>	<u>0</u>
Total	59,435,853	60,014,151
 Texas Engineering Experiment Station	 62,310,909	 62,310,909
Texas Transportation Institute	28,966,340	29,219,606
Texas Engineering Extension Service	45,175,238	45,175,240
Texas Forest Service	22,121,078	21,371,078
Texas Wildlife Damage Management Service	3,583,569	3,371,544
Texas Veterinary Medical Diagnostic Laboratory	10,954,742	9,554,742
Texas Food and Fibers Commission	<u>5,071,436</u>	<u>5,143,489</u>
 Subtotal, Agencies of Education	 <u>\$ 24,212,556,191</u>	 <u>\$ 24,124,849,703</u>
 Retirement and Group Insurance	 23,084,757	 25,375,424
Social Security and Benefit Replacement Pay	<u>203,476,670</u>	<u>212,307,548</u>
 Subtotal, Employee Benefits	 <u>\$ 226,561,427</u>	 <u>\$ 237,682,972</u>
 Bond Debt Service Payments	 141,700	 1,128,900
Lease Payments	<u>8,116,814</u>	<u>8,094,542</u>
 Subtotal, Debt Service	 <u>\$ 8,258,514</u>	 <u>\$ 9,223,442</u>
 Article III, Special Provisions, Rider Appropriations	 967,000	 0
 Less Interagency Contracts	 <u>\$ 79,465,529</u>	 <u>\$ 59,735,773</u>
 TOTAL, ARTICLE III - AGENCIES OF EDUCATION	 <u><u>\$ 24,368,877,603</u></u>	 <u><u>\$ 24,312,020,344</u></u>
 Number of Full-Time-Equivalent Positions (FTE)- Appropriated Funds	 79,783.6	 79,804.1
 Number of Full-Time-Equivalent Positions (FTE)-Total	 131,411.8	 132,393.7